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Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2012

Department of the Treasury
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2012, or tax year beginning

, 2012, and ending

THOMAS & KATHARINE STONER FOUNDATION
410 SEVERN AVENUE #216
ANNAPOLIS, MD 21403A Employer identification number
42-1263576B Telephone number (see the instructions)
410-268-1376C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐G Check all that apply ☐ Initial return ☐ Initial return of a former public charity
☐ Final return ☐ Amended return
☐ Address change ☐ Name changeH Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 9,115,554.J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) (Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and

Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

1 Contributions, gifts, grants, etc, received (att sch)

523,553.

2 Ck ☐ if the foundn is not req to att Sch B

3 Interest on savings and temporary cash investments

55,242.

55,242.

55,242.

4 Dividends and interest from securities

136,870.

136,870.

136,870.

5a Gross rents

46,620.

46,620.

46,620.

b Net rental income or (loss) 46,620.

6a Net gain/(loss) from sale of assets not on line 10

944,665.

b Gross sales price for all assets on line 6a 5,086,873.

7 Capital gain net income (from Part IV, line 2)

944,665.

8 Net short-term capital gain

114,359.

9 Income modifications

10a Gross sales less returns and allowances

429.

b Less Cost of goods sold 11,906.

c Gross profit/(loss) (att sch) SEE ST 1

-11,477.

-11,477.

11 Other income (attach schedule)

SEE STATEMENT 2

12,550.

12,550.

12 Total: Add lines 1 through 11

1,708,023.

1,195,947.

341,614.

13 Compensation of officers, directors, trustees, etc

125,099.

73,020.

14 Other employee salaries and wages

130,613.

115,013.

15 Pension/plan/employee benefits

16a Legal fees (attach schedule) SEE ST 3

2,522.

b Accounting fees (attach sch) SEE ST 4

14,811.

1,941.

c Other prof fees (attach sch) SEE ST 5

413,348.

62,785.

126,366.

17 Interest

4,210.

4,210.

18 Taxes (attach schedule)(see instrs) SEE ST 6

40,680.

2,874.

15,314.

19 Depreciation (attach sch) and depletion

12,236.

20 Occupancy

51,173.

38,380.

21 Travel, conferences, and meetings

25,059.

25,059.

22 Printing and publications

23 Other expenses (attach schedule)

SEE STATEMENT 7

354,566.

21,299.

64,380.

24 Total operating and administrative expenses. Add lines 13 through 23

1,174,317.

93,109.

457,532.

25 Contributions, gifts, grants paid PART XV

852,011.

852,011.

26 Total expenses and disbursements. Add lines 24 and 25

2,026,328.

93,109.

0.

1,309,543.

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

-318,305.

b Net investment income (if negative, enter -0-)

1,102,838.

c Adjusted net income (if negative, enter -0-)

341,614.

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
A S S E T S	1	Cash — non-interest-bearing	33,402.	40,344.	40,343.
	2	Savings and temporary cash investments	335,705.	883,115.	883,115.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use	152,382.	141,664.	141,664.
	9	Prepaid expenses and deferred charges	14,133.	755.	755.
	10a	Investments — U.S. and state government obligations (attach schedule) STATEMENT 8	1,751,318.	1,667,001.	1,687,021.
	b	Investments — corporate stock (attach schedule) STATEMENT 9	1,231,234.	1,150,455.	1,362,515.
	c	Investments — corporate bonds (attach schedule) STATEMENT 10	800,240.	1,469,908.	1,513,376.
L I A B I L I T I E S	11	Investments — land, buildings, and equipment basis			
		Less: accumulated depreciation (attach schedule)			
	12	Investments — mortgage loans			
	13	Investments — other (attach schedule) STATEMENT 11	3,730,844.	2,640,642.	3,211,182.
	14	Land, buildings, and equipment basis 439,598.			
		Less: accumulated depreciation (attach schedule) SEE STMT 12 164,015.	287,819.	275,583.	275,583.
	15	Other assets (describe)			
	16	Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)	8,337,077.	8,269,467.	9,115,554.
N E T A S S E T S O R F U N D B A L A N C E S	17	Accounts payable and accrued expenses		85.	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
	23	Total liabilities (add lines 17 through 22)	0.	85.	
F U N D A S S E T S O R F U N D B A L A N C E S		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☒			
	24	Unrestricted	8,337,077.	8,269,382.	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ☐			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)	8,337,077.	8,269,382.	
	31	Total liabilities and net assets/fund balances (see instructions)	8,337,077.	8,269,467.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	8,337,077.
2	Enter amount from Part I, line 27a	2	-318,305.
3	Other increases not included in line 2 (itemize) ☐ SEE STATEMENT 13	3	252,059.
4	Add lines 1, 2, and 3	4	8,270,831.
5	Decreases not included in line 2 (itemize) ☐ SEE STATEMENT 14	5	1,449.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	8,269,382.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE STATEMENT 15				
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(j) Fair Market Value as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of column (i) over column (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	944,665.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	114,359.

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2011	1,010,214.	9,797,929.	0.103105
2010	1,267,693.	10,337,884.	0.122626
2009	852,811.	9,911,619.	0.086042
2008	1,017,779.	11,705,036.	0.086952
2007	775,703.	13,427,363.	0.057770

2 Total of line 1, column (d)	2	0.456495
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.091299
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	9,037,584.
5 Multiply line 4 by line 3	5	825,122.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	11,028.
7 Add lines 5 and 6	7	836,150.
8 Enter qualifying distributions from Part XII, line 4	8	1,309,543.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter 'N/A' on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary – see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	11,028.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	11,028.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	11,028.
6 Credits/Payments			
a 2012 estimated tax pmts and 2011 overpayment credited to 2012	6a	11,500.	
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	11,500.	
8 Enter any penalty for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	472.	
11 Enter the amount of line 10 to be Credited to 2013 estimated tax	472.	Refunded	0.

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ \$ 0. (2) On foundation managers ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XIV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MD IA		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Form 990-PF (2012)

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>BROWN INVESTMENT ADVISORY & TR</u> Telephone no. <u>410-537-5400</u> Located at <u>901 SO BOND ST. SUITE 400 BALTIMORE MD</u> ZIP + 4 <u>21231-3340</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year <u>N/A</u>	15		N/A
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country <u></u>	16		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

	Yes	No
1 a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No	
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No	
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ☐	1 b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1 c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If 'Yes,' list the years <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>	☐ Yes ☒ No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions)	2 b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No	
b If 'Yes,' did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4 b	X

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Form 990-PF (2012)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5 a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5 b N/A

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?N/A ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

6 a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6 b X

If 'Yes' to 6b, file Form 8870

7 a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7 b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
THOMAS H. STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	PRESIDENT 10.00	0.	0.	0.
KATHARINE E. STONER 3065 RUNDELAC RD. ANNAPOLIS, MD 21403	VICE PRESIDE 10.00	0.	0.	0.
MARY E. WYATT 21 WAINWRIGHT AVENUE ANNAPOLIS, MD 21403	SECRETARY 40.00	121,700.	3,399.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 – see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
CHRISTINE TANABE 122 DUKE OF GLOUCESTER ANNAPOLIS, MD 21401	ADMINISTRATIV 40	78,000.	0.	0.
GRETCHEN WARWICK 926 WINDSOR AVENUE ANNAPOLIS, MD 21403	ADMINISTRATIV 40	52,613.	0.	0.

Total number of other employees paid over \$50,000

0

Part VII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
ELIZABETH HOUSLEY 5758 28TH AVE NE SEATTLE, WA 98105	STRATEGIC PLANNING	22,200.
HOME FRONT COMMUNICATIONS 1121 14TH ST. NW #5 WASHINGTON, DC 20005	CREATE WEBSITE	224,197.
KATHLEEN WOLF PO BOX 11334 BAINBRIDGE ISLAND, WA 98110	RESEARCH & DESIGN	55,300.
GRAHAM LANDSCAPE ARCHITECTURE 229 PRINCE GEORGE STREET ANNAPOLIS, MD 21401	RESEARCH & DESIGN	30,000.
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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Form 990-PF (2012)

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1 a	8,178,822.
b	Average of monthly cash balances	1 b	551,267.
c	Fair market value of all other assets (see instructions)	1 c	445,123.
d	Total (add lines 1a, b, and c)	1 d	9,175,212.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	9,175,212.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	137,628.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	9,037,584.
6	Minimum investment return. Enter 5% of line 5	6	451,879.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	451,879.
2a	Tax on investment income for 2012 from Part VI, line 5	2 a	11,028.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2 b	
c	Add lines 2a and 2b	2 c	11,028.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	440,851.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	440,851.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	440,851.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1 a	1,309,543.
b	Program-related investments — total from Part IX-B	1 b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,309,543.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	11,028.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,298,515.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				440,851.
2 Undistributed income, if any, as of the end of 2012.				
a Enter amount for 2011 only			0.	
b Total for prior years: 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2012.				
a From 2007				
b From 2008	380,809.			
c From 2009	359,274.			
d From 2010	759,331.			
e From 2011	534,370.			
f Total of lines 3a through e	2,033,784.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 1,309,543.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2012 distributable amount				440,851.
e Remaining amount distributed out of corpus	868,692.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	2,902,476.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	2,902,476.			
10 Analysis of line 9				
a Excess from 2008	380,809.			
b Excess from 2009	359,274.			
c Excess from 2010	759,331.			
d Excess from 2011	534,370.			
e Excess from 2012	868,692.			

BAA

Form 990-PF (2012)

N/A

- (4) Gross investment income**

[illegible]

SEE STATEMENT FOR LINE 2A

Part VII Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE STATEMENT 18				
Total			3 a	852,011.
b Approved for future payment				
Total			3 b	

Part XVI-A Analysis of Income-Producing Activities

Enter 'gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount		
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					55,242.
4	Dividends and interest from securities					136,870.
5	Net rental income or (loss) from real estate					
a	Debt-financed property					46,620.
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					944,665.
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory	511130	-11,477.			
11	Other revenue					
a	SEE STATEMENT 19					12,550.
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)		-11,477.			1,195,947.
13	Total. Add line 12, columns (b), (d), and (e)					1,184,470.

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF**

OMB No 1545-0047

2012

Name of the organization

THOMAS & KATHARINE STONER FOUNDATION

Employer identification number

42-1263576

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Section:

- ☐ 501(c)() (enter number) organization
☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization

Employer identification number

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 47,241.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
2	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 58,159.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
3	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 134,351.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
4	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 52,140.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
5	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 61,610.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
6	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 33,793.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed.

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 56,385.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
8	THOMAS H STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	\$ 77,873.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	1861 SHS PFIZER INC	\$ 47,241.	12/07/12
2	1746 SHS ALTRIA GROUP INC	\$ 58,159.	12/07/12
3	2340 SHS AUTOMATED DATA PROCESSING INC	\$ 134,351.	12/07/12
4	1388 SHS COCA COLA COMPANY	\$ 52,140.	12/07/12
5	650 SHS TIME WARNER CABLE INC	\$ 61,610.	12/07/12
6	49 SHS GOOGLE INC	\$ 33,793.	12/07/12

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization

Employer identification number

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

Part II **Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
7	109 SHS INTUITIVE SURGICAL INC		
		\$ 56,385.	12/07/12
8	1087 SHS SCHLUMBERGER LTD		
		\$ 77,873.	12/07/12
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization

THOMAS & KATHARINE STONER FOUNDATION

Employer identification number

42-1263576

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8) or (10)

organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once. See instructions.)

► \$ N/A

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

BAA

2012

FEDERAL STATEMENTS

PAGE 1

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07:57AM

STATEMENT 1
FORM 990-PF, PART I, LINE 10C
GROSS PROFIT (LOSS) FROM SALES OF INVENTORY

ITEMS SOLD	AMOUNT
BOOK SALES	\$ 429.
GROSS SALES	\$ 429.
LESS RETURNS & ALLOWANCES	0.
NET SALES	\$ 429.
LESS COST OF GOODS SOLD	11,906.
GROSS PROFIT FROM SALES OF INVENTORY	\$ -11,477.

STATEMENT 2
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
K- 1'S ROYALTY	\$ 31.	\$ 31.	
K-1 SECTION 1256 GAIN	-1,462.	-1,462.	
K-1'S ORD INCOME	13,935.	13,935.	
K-1'S OTHER INCOME	46.	46.	
TOTAL	\$ 12,550.	\$ 12,550.	0.

STATEMENT 3
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HARRISON WEATHERALL	\$ 2,522.			
TOTAL	\$ 2,522.	\$ 0.	\$ 0.	\$ 0.

STATEMENT 4
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BIA -PARTNERSHIPS	\$ 1,941.	\$ 1,941.		
KUPSTAS & KUPSTAS	12,870.			
TOTAL	\$ 14,811.	\$ 1,941.	\$ 0.	\$ 0.

2012

FEDERAL STATEMENTS

PAGE 2

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07:57AM

STATEMENT 5
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONSULTING FEES PROJECTS	\$ 350,563.			\$ 126,366.
INVESTMENT FEES	50,590.	\$ 50,590.		
PARTNERSHIP INVESTMENT FEES	12,195.	12,195.		
TOTAL	\$ 413,348.	\$ 62,785.	\$ 0.	\$ 126,366.

STATEMENT 6
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	\$ 19,143.			\$ 15,314.
TAXES - FOREIGN	2,754.	\$ 2,754.		
TAXES - INCOME	18,663.			
TAXES - OTHER	120.	120.		
TOTAL	\$ 40,680.	\$ 2,874.	\$ 0.	\$ 15,314.

STATEMENT 7
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AMORTIZATION	\$ 37.	\$ 37.		N/A
AUTO EXPENSES	1,090.			\$ 545.
BENCH EXPENSES	5,390.			5,390.
BOARD MEETINGS	8,062.			8,062.
BOARD TRAVEL TO GRANTEE SITES	246,050.			
COMPUTER EXPENSE	72.			
DUES & SUBSCRIPTIONS	481.			
ENTERTAINMENT	2,199.			
HEALTH PLAN	17,228.			11,037.
INDIRECT GRANT EXPENSES	1,416.			6,806.
INSURANCE	3,546.			2,447.
K-1 PARTNERSHIP OTHER EXPENSES	21,262.	21,262.		
MEDIA MARKETINGEXPENSE	11,690.			
OFFICE EXPENSES	6,257.			4,693.
OFFICE MAINTENANCE	11,053.			8,290.
POSTAGE & FREIGHT	421.			316.
PROGRAM SUPPORT	10,410.			10,410.
SEMINARS	1,596.			1,596.
TELEPHONE	3,484.			2,613.
TKF LIBRARY	232.			232.
UTILITIES	2,590.			1,943.
TOTAL	\$ 354,566.	\$ 21,299.	\$ 0.	\$ 64,380.

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07 57AM

STATEMENT 8

FORM 990-PF, PART II, LINE 10A

INVESTMENTS - U.S. AND STATE GOVERNMENT OBLIGATIONS

U.S. GOVERNMENT OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FNMA POOL #254089 6% 12/01/16	COST	\$ 4,848.	\$ 5,136.
FNMA POOL #433646 6% 10/01/13	COST	2,251.	2,272.
FNMA POOL #539082 7% 08/01/28	COST	573.	677.
FHLMC POOL G11649 4.5%	COST	15,358.	16,390.
FED FARM CREDIT BKS 5.2% 3/20/13	COST	50,104.	50,550.
FHLMC POOL#C90993 5.5% 10/1/26	COST	20,858.	22,875.
U S TREASURY NOTE 4% 8/15/18	COST	52,667.	58,750.
FHLMC MULTI SER 3571 4% 9/15/24	COST	26,301.	27,165.
FNMA GTD REMIC SER 2010 112 4% 10/25/25	COST	26,271.	27,133.
FHLMC MULTI SER3800 3.5% 2/15/26	COST	30,692.	32,045.
FNMA POOL#AJ5336	COST	61,656.	63,994.
FNMA POOL#741373 12/1/33	COST	21,476.	22,692.
FHLMC MTN .375% 2/27/2014	COST	49,966.	50,099.
U S TREAS NOTES 4.25 11/15/2013	COST	222,533.	222,574.
FHLMC MTN 1.0 11/14/2016	COST	100,564.	100,621.
FHLC DEB 2.0 8/14/2017	COST	45,481.	45,512.
FHLMC MTN 1.25 12/26/2017	COST	101,199.	101,090.
FNMA GTD REMIC 4.5 SER 04 1/25/2025	COST	60,755.	60,361.
GNMA GTD REMIC SER 2010 4.0 1/20/2038	COST	45,836.	45,814.
FNMA PARTN CERT 2/1/2041	COST	40,353.	41,141.
GNMA GTD REMIC SER 2010 2.35 6/16/2050	COST	9,613.	9,503.
U S TREAS NOTE .125 4/15/2017	COST	54,380.	54,530.
U S TREAS NOTE .125 7/15/2022	COST	54,353.	54,598.
		\$ 1,098,088.	\$ 1,115,522.

STATE/MUNICIPAL OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SO CAR ST PUB SERV AUTH REV 6/2/14	COST	15,000.	15,064.
PORT AUTH NY NJ CFONS 5.309% 12/1/19	COST	10,404.	12,083.
SOUTH CAROLINA ST PUB SVC AUTH REV7/1/13	COST	35,000.	35,054.
SALES TAX ASSET RECEIVABLE CORP NY 4.56%	COST	41,180.	41,317.
BERGEN CNTY NJ SER B 2.675%	COST	60,783.	60,877.
TOBACCO SECURITIZATION AUTH MN 2.643%	COST	15,000.	15,315.
CALIFORNIA ST BUILD AMERICA BONDS 5.25%	COST	52,186.	52,768.
ILLINOIS ST BUILD AMERICA BONDS 4.062%	COST	50,645.	51,091.
MISSISSIPPI ST SER D 1.745%	COST	35,400.	35,678.
OSHKOSH WI STORM WTR 2.2 5/1/2015	COST	82,111.	81,943.
GEORGE WASHINGTON U DC 5.095 9/15/2032	COST	31,225.	30,254.
UNIV OF CA REV BD 7/01/2041	COST	60,000.	60,004.
NYC NY MUNI WTR 5.0 6/15/2014	COST	79,979.	80,051.
		\$ 568,913.	\$ 571,499.

TOTAL \$ 1,667,001. \$ 1,687,021.

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07 57AM

STATEMENT 9
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
1588 MICROSOFT CORP	COST	\$ 41,499.	\$ 42,415.
1000 MERCK & CO	COST	35,590.	40,940.
556 E I DUPONT	COST	25,154.	25,008.
374 OCCIDENTAL PETRO CORP	COST	27,594.	28,652.
1296 ONEBEACON INS GRP	COST	18,403.	18,014.
1112 PUBLIC STORAGE 5.9 PRFD STK	COST	27,836.	29,079.
1037 PUBLIC STORAGE 6.875% PRFD STK	COST	27,905.	28,030.
2865 WINDSTREAM CORP	COST	32,338.	23,722.
382 WAL MART	COST	20,848.	26,064.
483 ABBOTT LABS	COST	25,209.	31,637.
370 PEPSICO	COST	23,528.	25,319.
1176 PFIZER INC	COST	17,762.	29,493.
327 PHILIP MORRIS INTL	COST	22,688.	27,350.
865 PLUM CREEK TIMBER CO	COST	31,717.	38,380.
171 PRAXAIR INC	COST	17,089.	18,716.
440 T ROWE PRICE	COST	23,337.	28,652.
489 TIME WARNER CABLE INC	COST	15,064.	47,526.
385 UNITED TECHNOLOGIES CORP	COST	28,169.	31,574.
215 V F CORP	COST	27,143.	32,459.
1327 HEALTHCARE SERV GRP	COST	21,520.	28,736.
456 JOHNSON & JOHNSON	COST	29,346.	31,966.
1817 KINDER MORGAN	COST	52,185.	64,195.
588 KRAFT FOODS INC	COST	23,604.	26,736.
298 M&T BANK	COST	22,766.	29,344.
410 MCDONALDS CORP	COST	35,775.	36,166.
1797 ALTRIA GROUP INC	COST	31,249.	56,498.
723 AUTOMATIC DATA PROCESSING	COST	27,190.	41,160.
875 CENTURYLINK INC	COST	31,444.	34,230.
841 CINCINNATI FINL CORP	COST	24,269.	32,934.
821 COCA COLA	COST	18,245.	29,761.
235 CON EDISON INC	COST	12,398.	13,052.
370 DOMINION RES INC	COST	17,451.	19,166.
431 ERIE INDEMNITY CO	COST	31,244.	29,834.
310 COACH INC	COST	17,422.	17,208.
1058 GAMESTOP CORP	COST	24,087.	26,545.
884 MICROCHIP TECH INC	COST	27,643.	28,810.
1063 MONDELEZ INT'L W I	COST	24,313.	27,057.
730 PACCAR INC	COST	29,492.	33,003.
257 TIFFANY & CO	COST	13,566.	14,736.
565 ACCENTURE PLC	COST	29,986.	37,573.
745 NOVARTIS AG	COST	40,764.	47,159.
1009 TOTAL SA ADR	COST	49,454.	52,478.
813 UNILEVER N V	COST	26,169.	31,138.
TOTAL		\$ 1,150,455.	\$ 1,362,515.

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07:57AM

STATEMENT 10
FORM 990-PF, PART II, LINE 10C
INVESTMENTS - CORPORATE BONDS

<u>CORPORATE BONDS</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
AMERICA MOVIL SA DE 5.0% 3/30/20	COST	\$ 15,753.	\$ 17,452.
ICI WILLIMNGTON INC 5.625% 12/01/13	COST	24,837.	26,104.
POTASH CORP 5.25% 5/15/2014	COST	21,144.	21,235.
COMCAST CORP 5.3% 1/15/2014	COST	20,857.	20,984.
GTE CORP 6.84% 4/15/2018	COST	16,021.	18,780.
BERKLEY 5.875% 2/15/13	COST	15,031.	15,089.
BERKSHIRE HATHAWAY INC 3.20 2/11/15	COST	19,985.	21,056.
JPMORGAN CHASE MED TERM 1/24 14	COST	19,923.	20,134.
GOLDMAN SACHS GRP 2/7/14	COST	15,009.	15,044.
G E CAP CORP MED TERM 5.5% 6/04/2014	COST	21,042.	21,350.
DUKE CAPITAL CORP 6.75% 7/15/18	COST	16,758.	17,751.
ENTERPRISE PRODUCTS 5.2% 9/1/20	COST	16,292.	17,904.
BOSTON PROP LP 5.625% 11/15/20	COST	16,411.	17,745.
DOUBLE LINE EMG MKTS INC	COST	203,497.	213,104.
JP MORGAN CHASE CO 6.3 4/23/2019	COST	28,796.	30,844.
CONOCOPHILLIPS 4.75% 2/1/14	COST	6,253.	6,272.
GOLDMAN SACHS GROUP INC 2/7/14	COST	19,482.	20,058.
PEPSIAMERICAS INC 4.375% 2/15/14	COST	20,772.	20,839.
BOEING CO 5% 3/15/14	COST	21,011.	21,063.
VERIZON COMMUNICATIONS 3/28/14	COST	20,034.	20,118.
DEERE COMPANY 6.95% 4/25/14	COST	21,628.	21,675.
AMERICAN EXPRESS CREDIT CO 6/24/14	COST	19,738.	20,179.
AMGEN INC 1.875% 11/15/14	COST	25,008.	25,567.
CONSOLIDATED NAT GAS CO 5% 12/1/14	COST	21,306.	21,510.
SHELL INTERNATIONAL FIN 4% 3/21/14	COST	20,832.	20,880.
DELL INC 5.625 4/15/2014	COST	21,237.	21,229.
AT&T INC 5.1 9/15/2014	COST	21,321.	21,484.
BARRICK GOLD CORP	COST	20,271.	20,279.
VANGUARD INTERMED TERM C	COST	252,845.	255,792.
VANGUARD SHORT TERM GR ADMIN	COST	116,984.	117,416.
DELAWARE HI YID CL I	COST	100,000.	103,148.
VANGUARD INTER TERM C	COST	196,326.	204,248.
KOHL'S CORP 4.0 11/01/2021	COST	15,538.	15,864.
AMERICAN EXPRESS 7.0 3/19/2018	COST	30,121.	31,586.
G E CAP CORP 5.5 1/08/2020	COST	27,845.	29,593.
TOTAL		\$ 1,469,908.	\$ 1,513,376.

STATEMENT 11
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

<u>OTHER PUBLICLY TRADED SECURITIES</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
BIA VENTURE INVESTORS - JMI IV	COST	\$ 0.	\$ 162,706.
BIA INVESTORS - TRIDENT CAPITAL	COST	15,082.	31,825.
BIA VENTURE PARTNERS - BAKER COMM	COST	19,690.	26,457.
BIA VENTURE PARTNERS - INTERSOUTH	COST	7,742.	11,122.
BIA INVESTORS LP ACCEL VIII	COST	7,349.	20,174.
BROWNSIA INV - CHARLESBANK	COST	0.	38,089.
BROWN IA ROBINSON CROSSING	COST	83,942.	223,577.

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07 57AM

STATEMENT 11 (CONTINUED)
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
<u>OTHER PUBLICLY TRADED SECURITIES</u>			
BRENTON COMMUNITIES FUND VI MEL RAY LLC	COST	\$ 50,000.	\$ 50,000.
ELEVATION PARTNERS	COST	46,904.	86,444.
SILVER LAKE PARTNERS II	COST	26,512.	81,783.
SYMPHONY CAPITAL VENTURE PARTNERS	COST	107,022.	96,048.
1.0 STONE ARCH CAPITAL	COST	135,696.	135,696.
NORTHSTAR MEZZANINE PARTNERS IV	COST	173,858.	173,858.
HLM VENTURE PARTNERS	COST	48,970.	36,869.
BROWN ADVISORY VENTURE GROWTH PRTRS 2006	COST	54,155.	83,664.
BRENTON COMMUNITIES FD VII COUNTRY LV	COST	50,000.	50,000.
FSP PHOENIX TOWER CORP	COST	100,000.	65,000.
BRENTON COMMUNITIES FD VIII BLAIR	COST	100,000.	100,000.
BRENTON COMMUNITIES FD IX SLATER	COST	100,000.	100,000.
POINT 406 VENTURES I LP	COST	74,752.	103,172.
PHILLIPS EDISON STRAT INV FD LLC	COST	5,791.	54,822.
FIVE CORNERS PARTNERS LP	COST	200,000.	324,728.
FSP 303 EAST WACKER DRIVE CORP	COST	150,000.	60,000.
BAIN CAPITAL X	COST	77,244.	77,534.
BRENTON FINANCE LLC	COST	120,000.	120,000.
GOLUB CAPITAL MEZZANINE PARTNERS	COST	117,144.	123,052.
BRENTON COMMUNITIES FD II BOONE, LA, LLC	COST	100,000.	100,000.
BAI INTERMED INC FD	COST	417,728.	414,417.
8882 FPA CRESCENT PORTFOLIO	COST	251,061.	260,145.
TOTAL		\$ 2,640,642.	\$ 3,211,182.

STATEMENT 12
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
AUTO./TRANSPORTATION EQUIP.	\$ 8,998.	\$ 8,998.	\$ 0.	\$ 0.
FURNITURE AND FIXTURES	44,647.	44,544.	103.	103.
MACHINERY AND EQUIPMENT	48,615.	41,409.	7,206.	7,206.
IMPROVEMENTS	337,338.	69,064.	268,274.	268,274.
TOTAL	\$ 439,598.	\$ 164,015.	\$ 275,583.	\$ 275,583.

STATEMENT 13
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

LIMITED PARTNERSHIP COST BASIS ADJUSTMENTS	\$ 138,800.
MUNICIPAL BOND INCOME	10,166.
NON TAXABLE INCOME - ROP	103,093.
TOTAL	\$ 252,059.

2012

FEDERAL STATEMENTS

PAGE 7

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07 57AM

STATEMENT 14
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

INVESTMENT FEES ALLOCATED TO TAX EXEMPT INCOME

TOTAL \$ 1,449.
 TOTAL \$ 1,449.

STATEMENT 15
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	K-1 PASSTHROUGH ENTITIES SHORT TERM GAIN	PURCHASED	VARIOUS	VARIOUS
2	K-1 PASSTHROUGH ENTITIES LONG TERM GAIN	PURCHASED	VARIOUS	VARIOUS
3	K-1 PASSTHROUGH ENTITIES SECTION 1231	PURCHASED	VARIOUS	VARIOUS
4	SEE ATTACHED BROWN ADVISORY SUMMARY	PURCHASED	VARIOUS	VARIOUS
5	SEE ATTACHED BROWN ADVISORY SUMMARY	PURCHASED	VARIOUS	VARIOUS
6	CAPITAL GAIN DISTRIBUTIONS	PURCHASED	VARIOUS	VARIOUS

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	22,256.		0.	22,256.				\$ 22,256.
2	257,285.		0.	257,285.				257,285.
3	0.		3.	-3.				-3.
4	3344205.		3252102.	92,103.				92,103.
5	1447732.		890,103.	557,629.				557,629.
6	15,395.		0.	15,395.				15,395.
TOTAL								\$ 944,665.

STATEMENT 16
FORM 990-PF, PART XV, LINE 1A
FOUNDATION MANAGERS - 2% OR MORE CONTRIBUTORS

THOMAS H. STONER
 KATHARINE E. STONER

STATEMENT 17
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:
 NAME: MARY WYATT
 CARE OF: TKF FOUNDATION INC.
 STREET ADDRESS: 410 SEVERN AVENUE #216
 CITY, STATE, ZIP CODE: ANNAPOLIS, MD 21403
 TELEPHONE:
 E-MAIL ADDRESS:
 FORM AND CONTENT: ABAG COMMON GRANT APPLICATION FORM
 SUBMISSION DEADLINES: OCTOBER 1ST
 RESTRICTIONS ON AWARDS: ONLY 501 (C) 3 ORGANIZATIONS

2012

FEDERAL STATEMENTS

PAGE 8

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07 57AM

STATEMENT 18
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
BALTIMORE CLAYWORKS BALTIMORE, MD 52-1409133, MD 21209	NONE		COMPLETION OF NATURE GARDNE ENRICHMENT PLAN	\$ 15,300.
PARKS & PEOPLE'S FOUNDATION BALTIMORE MD 52-1349346, MD 21211	NONE		2013 COMMUNITY GREENING	30,000.
ASSOC OF BALT AREA GRANTMAKERS BALTIMORE, MD 52-1326863, MD 21202	NONE		2012 MEMBERSHIP DUES	1,200.
WASHINGTON PARKS & PEOPLE WASHINGTON, DC 52-1681110, DC 20009	NONE	501 (C) (3)	2012 COMMUNITY GREENING AND TRANSFORM THE SITE OF PARK HEADQUARTERS INTO A MODEL GREENSPACE AND PLACE OF PEACE AND INSPIRATION.	65,000.
LEAGUE FOR PEOPLE W/ DISABILIT BALTIMORE, MD. 52-0591579, MD 21239	NONE		GARDEN ENRICHMENT AT THE LEAGUE'S CAMPUS AND FOR PROGRAMMING SUPPORT FOR A PILOT VOCATIONAL HORTICULTURE PROGRAM	84,771.
UNITY GARDENS CROWNSVILLE, MD 43-2026301, MD 21032	NONE		2013 COMMUNITY GREENING	30,000.
FRANKLIN SQUARE HOSPITAL CENTE BALTIMORE, MD 52-0608007, MD 21237	NONE	501 (C) (3)	ADDITIONAL PLANTINGS AND ENHANCEMENTS TO THE GARDEN OF LITTLE ANGELS	9,062.

2012

FEDERAL STATEMENTS

PAGE 9

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07:57AM

STATEMENT 18 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
MARIAN HOUSE BALTIMORE, MD 52-1243849, MD 21218	NONE		ADDITIONAL PLANTINGS, REPLACEMENT TREES AND SITE FURNISHINGS AS WELL AS 2ND INSTALLMENT OF TKF'S COMMITMENT TO BOOK PUBLISHING PROJECT	\$ 14,656.
UNIV OF MD COLLEGE PARK FDN COLLEGE PARK, MD 52-2197313, MD 20742	NONE		FIRST PHASE OF A THREE YEAR GARDEN ENRICHMENT PLAN TO INFORM AND EDUCATE THE UMCP COMMUNITY ABOUT THE GARDEN	20,788.
AMERICAN PSYCHOLOGICAL ASSOCIATION WASHINGTON, DC 53-0205890, DC 20002	NONE		2012 ENHANCEMENT GRANT	10,818.
NEWBORN HOLISTIC MINISTRIES BALTIMORE, MD 52-2002294, MD 21217	NONE		STREET MURAL AT THE INTERSECTION OF PRESSTMAN ST AND PENNSYLVANIA AVE	9,604.
A WIDER CIRCLE BETHESDA, MD 52-2345144, MD 20814	NONE		PROGRAMMING SUPPORT AND MATERIALS TO INCREASE THE IMPACT OF THE OSSP HEALING GARDEN ON THE LIVES OF THE SIBLEY PLAZA	20,000.
CHEASAPEAKE BAY FOUNDATION ANNAPOLIS, MD. 52-6065757,	NONE		2011 ENHANCEMENT GRANTS	2,174.
FRIENDS OF N E INTERFAITH PEACE GARDEN BALTIMORE, MD 20-8887587, MD 21206	NONE		SIGNIFICANT REPAIRS AND REPLACEMENTS TO THE GARDEN	16,000.

2012

FEDERAL STATEMENTS

PAGE 10

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07 57AM

STATEMENT 18 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
VILLAGE LEARNING PLACE BALTIMORE, MD 52-2109848, MD 21218	NONE		PLANTINGS, IMPROVEMENTS AND SIGNAGE AT NEW LINK BLD	\$ 12,934.
BON SECOURS SPIRITUAL CENTER MARRIOTTSTVILLE, MD 29-017960, MD 21212	NONE		PROGRAMMING AND ACTIVITIES SUPPORT TO DIVERSITY AND DEEPEN THE HEALING GARDEN'S USE	9,033.
ST. PAUL'S SCHOOL BROOKLANDVILLE, MD 52-0591463, MD 21002	NONE		ADDITIONAL PLANTINGS IN THE LABRYINTH GARDEN	3,045.
GOVANS ECUMENICAL DEVELOPMENT CORP BALTIMORE, MD 52-6172018, MD 21218	NONE		2012 ERG, ADDITIONAL PLANTINGS AND SITE FURNISHINGS AT THANKSGIVING PLACE AT STADIUM PLACE	11,909.
BROOKLYN GREENWAY INITIATIVE BROOKLYN, NY 20-3283721, NY 11231	NONE		PLANNING GRANT FOR NOSSP - NAVEL HOSPITAL CEMETERY MEMORIAL LANDSCAPE	42,896.
CANYON RANCH INSTITUTE TUSCON, AZ 82-0566227, AZ 85750	NONE		PLANNING GRANT PROPOSAL TO CREATE AN OSSP FOR LIFE ENHANCEMENT IN SOUTH BRONX AND TUSCON	69,292.
CITY OF MALDEN/MALDEN REDEVELOPMENT AUTH MALDEN, MA 04-6006569, MA 02148	NONE		PLANNING GRANT FOR NOSSP: MALDEN CITY	44,465.

2012

FEDERAL STATEMENTS

PAGE 11

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07.57AM

STATEMENT 18 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
CORNELL UNIVERSITY 15-0532082 ITHICA, NY, NY 14853	NONE		PLANNING GRANT FOR NOSSP - LANDSCAPES OF RESILIENCE: UNDERSTANDING THE CREATION AND STEWARDSHIP OF OSSPS IN JOPLIN, MO AND DETRIOT, MI	\$ 48,605.
THE GROUNDWORK SAN DIEGO - CHOLLAS CREEK 74-3184848 SAN DIEGO, CA, CA 92114	NONE		PLANNING GRANT FOR NOSSP - THE SPACE WITHIN	45,899.
LEGACY HEALTH 93-6095667 PORTLAND, OR, OR 97208	NONE		PLANNING GRANT PROPOSAL FOR NOSSP - THERAPEUTIC HEALING GARDEN AT THE EMANUEL MEDICAL CENTER	14,443.
MOHAWK VALLEY RESOURCE CENTER FOR REFUGE 16-1158764 UTICA, NY,	NONE		PLANNING GRANT PROPOSAL FOR NOSSP - FROM AFAR: GARDEN OF TRANSITIONS	48,475.
PARKLAND COLLEGE 23-7025130 CHAMPAIGN, IL, IL 61821	NONE		PLANNING GRANT FOR NOSSP, WAUKEGAN AREA SACRED SPACES	27,095.
POMOGRANATE CENTER 91-1363774 ISSAQUAH, WA, WA 98027	NONE		PLANNING GRANT FOR NOSSP - REFLECTIONS: PEOPLE ON THE WATERFRONT	47,651.
THE INSTITUTE FOR INTEGRATIVE HEALTH 20-1799284 BALTIMORE, MD, MD 21231	NONE		PLANNING GRANT PROPOSAL - THE GREEN ROAD	48,271.
THE ROTMAN RESEARCH INSTITUTE AT BAYCRES 10-6776495	NONE		PLANNING GRANT FOR NOSSP - THE MECHANISMS OF NATURE RESTORATION AT OSSP SITES	48,625.
TOTAL				\$ 852,011.

2012

FEDERAL STATEMENTS

PAGE 12

CLIENT 17

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/12/13

07:57AM

STATEMENT 19
FORM 990-PF, PART XVI-A, LINE 11
OTHER REVENUE

OTHER REVENUE	(A) BUSI- NESS CODE	(B) UNRELATED BUSINESS AMOUNT	(C) EXCLU- SION CODE	(D) EXCLUDED AMOUNT	(E) RELATED OR EXEMPT FUNCTION
K- 1'S ROYALTY					\$ 31.
K-1 FORM 4797 ORD INC					
K-1 SECTION 1256 GAIN					-1,462.
K-1'S CURRENCY TRANS INC					
K-1'S ORD INCOME					13,935.
K-1'S OTHER INCOME					46.
TOTAL		\$ 0.		\$ 0.	\$ 12,550.