Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning , 2012, and ending , 20

Name of foundation: CHARLES FOUNDATION CHARITABLE TR

A Employer identification number: 43-6801942

Number and street (or P O box number if mail is not delivered to street address): 231 S LASALLE ST IL1-231-10-05

Room/suite:

B Telephone number (see instructions): 866- 752-2127

City or town, state, and ZIP code: CHICAGO, IL 60697

C If exemption application is pending, check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1 Foreign organizations, check here ▶ ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization: [X] Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 5,281,353.

J Accounting method: [X] Cash ☐ Accrual
☐ Other (specify) ____________
(Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)				
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	151,678.	151,678.		STMT 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	322,906.			
	b	Gross sales price for all assets on line 6a 2,839,345.				
	7	Capital gain net income (from Part IV, line 2)		322,906.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total** Add lines 1 through 11	474,584.	474,584.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	34,936.	20,962.		13,974.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) STMT 2	1,430.	NONE	NONE	1,430.
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions) STMT 3	15,116.	73.		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	51,482.	21,035.	NONE	15,404.
	25	Contributions, gifts, grants paid	258,000.			258,000.
	26	**Total expenses and disbursements** Add lines 24 and 25	309,482.	21,035.	NONE	273,404.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	165,102.			
	b	**Net investment income** (if negative, enter -0-)		453,549.		
	c	**Adjusted net income** (if negative, enter -0-)				

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	574,853.	257,378.	257,378.
	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 schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U S and state government obligations (attach schedule)	259,318.		
	b Investments - corporate stock (attach schedule)	2,678,680.	4,473,272.	5,023,975.
	c Investments - corporate bonds (attach schedule)	1,052,638.		
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule)			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	4,565,489.	4,730,650.	5,281,353.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)		NONE	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	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	4,565,489.	4,730,650.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	4,565,489.	4,730,650.	
	31 Total liabilities and net assets/fund balances (see instructions)	4,565,489.	4,730,650.	

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	4,565,489.
2	Enter amount from Part I, line 27a	2	165,102.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 4	3	84.
4	Add lines 1, 2, and 3	4	4,730,675.
5	Decreases not included in line 2 (itemize) ▶ END DEF INCOME	5	25.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,730,650.

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 shs. MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo , day, yr.)	(d) Date sold (mo , day, yr)
1a	PUBLICLY TRADED SECURITIES			
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	2,839,278.		2,516,439.	322,839.
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				322,839.
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	322,906.
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	

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 (col (b) divided by col (c))
2011	222,246.	5,057,081.	0.043947
2010	177,062.	4,779,286.	0.037048
2009	203,343.	2,409,878.	0.084379
2008	177,968.	2,800,178.	0.063556
2007	148,341.	2,876,549.	0.051569

2	**Total** of line 1, column (d)	2	0.280499
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	0.056100
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	5,169,871.
5	Multiply line 4 by line 3	5	290,030.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,535.
7	Add lines 5 and 6	7	294,565.
8	Enter qualifying distributions from Part XII, line 4	8	273,404.

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)

1a	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 instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	9,071.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	9,071.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	NONE
5	**Tax based on investment income** Subtract line 4 from line 3 If zero or less, enter -0-	5	9,071.
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a: 8,794.		
b	Exempt foreign organizations - tax withheld at source — 6b: NONE		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: NONE		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	8,794.
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	277.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶ **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*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*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ ______ (2) On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		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? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		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?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MO			
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 *General Instruction G? If "No," attach explanation*	8b	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)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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?	13	X	
	Website address ▶ NONE			
14	The books are in care of ▶ BANK OF AMERICA Telephone no ▶ (866)752-2127			
	Located at ▶ 231 S. LASALLE, CHICAGO, IL ZIP+4 ▶ 60697			
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 ▶ 15			
			Yes	**No**
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?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶			

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
1a	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)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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?	1c		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? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
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.)	2b		X
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	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.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		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?	4b		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

		Yes	No
5a	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)? **5b**		
	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? ☐ Yes ☐ No		
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)		
6a	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? **6b**		X
	If "Yes" to 6b, file Form 8870		
7a	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? **7b**		

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
BANK OF AMERICA, N.A. 100 WESTMINSTER ST, PROVIDENCE, RI 02903	TRUSTEE 1	34,936.		-0-
C. OSIEK C/O BANK OF AMERICA, N.A , ST. LOUIS, MO 63102,	TRUSTEE 0			
K. HUGHES C/O BANK OF AMERICA, N.A., ST.LOUIS, MO 63102,	TRUSTEE 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

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

Part VIII 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
Total number of others receiving over $50,000 for professional services ▶		NONE

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 THE SOLE CHARITABLE ACTIVITY OF THIS ORGANIZATION IS THE MAKING OF CONTRIBUTIONS AND GRANTS TO QUALIFIED CHARITABLE ORGANIZATIONS. NO DIRECT CHARITABLE ACTIVITIES ARE CONDUCTED	
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 NONE	
2	
All other program-related investments See instructions 3 NONE	
Total. Add lines 1 through 3 ▶	

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	1a	4,794,497.
b	Average of monthly cash balances	1b	454,103.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	**Total** (add lines 1a, b, and c)	1d	5,248,600.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	5,248,600.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	78,729.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,169,871.
6	**Minimum investment return.** Enter 5% of line 5	6	258,494.

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	258,494.
2a	Tax on investment income for 2012 from Part VI, line 5	2a 9,071.		
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	9,071.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	249,423.
4	Recoveries of amounts treated as qualifying distributions		4	NONE
5	Add lines 3 and 4		5	249,423.
6	Deduction from distributable amount (see instructions)		6	NONE
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	249,423.

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	1a	273,404.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	273,404.
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	N/A
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	273,404.

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				249,423.
2	Undistributed income, if any, as of the end of 2012				
a	Enter amount for 2011 only			NONE	
b	Total for prior years 20____,20____,20____		NONE		
3	Excess distributions carryover, if any, to 2012				
a	From 2007 . . . . . . NONE				
b	From 2008 . . . . . . NONE				
c	From 2009 . . . . . . 77,961.				
d	From 2010 . . . . . . NONE				
e	From 2011 . . . . . . NONE				
f	**Total** of lines 3a through e	77,961.			
4	Qualifying distributions for 2012 from Part XII, line 4. ▶ $ 273,404.				
a	Applied to 2011, but not more than line 2a			NONE	
b	Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c	Treated as distributions out of corpus (Election required - see instructions)	NONE			
d	Applied to 2012 distributable amount				249,423.
e	Remaining amount distributed out of corpus	23,981.			
5	Excess distributions carryover applied to 2012 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	NONE			NONE
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	101,942.			
b	Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
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		NONE		
d	Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e	Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instructions			NONE	
f	Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				NONE
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	NONE			
8	Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	NONE			
9	**Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	101,942.			
10	Analysis of line 9:				
a	Excess from 2008 . . . NONE				
b	Excess from 2009 . . . 77,961.				
c	Excess from 2010 . . . NONE				
d	Excess from 2011 . . . NONE				
e	Excess from 2012 . . . 23,981.				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling . . . . ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test-enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2).)

C. OSIEK

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed.

SEE STATEMENT 5

b The form in which applications should be submitted and information and materials they should include:

SEE ATTACHED STATEMENT FOR LINE 2

c Any submission deadlines:

SEE ATTACHED STATEMENT FOR LINE 2

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

SEE ATTACHED STATEMENT FOR LINE 2

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	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
a Paid during the year				
OXFAM AMERICA 26 WEST ST BOSTON MA 02111	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
SOCIETY OF THE SACRED HEART 4389 W PINE BLVD ST. LOUIS MO 63108	N/A	PC	UNRESTRICTED GENERAL SUPPORT	
MARY'S PENCE 402 MAIN STREET Metuchen NJ 08840	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
FREEDOM FROM HUNGER 1644 DAVINCI COURT Davis CA 95616	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
CARE 151 ELLIS ST. NE Atlanta GA 30303-2440	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
WOMEN FOR WOMEN INTERNATIONAL 1850 M STREET WASHINGTON DC 20036	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
FRIENDS OF OPEN HOUSE PO BOX 2918 Acton MA 01720	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
AMERICAN FRIENDS OF NEVE/ WAHAT SALAAM MT. LAUREL NJ	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
BETHLEHEM UNIVERSITY PO BOX 11407 Jerusalem ISRAEL 92248	N/A	PC	UNRESTRICTED GENERAL SUPPORT	1,000.
ACADEMY OF SACRED HEART 1250 KENSINGTON FD BLOOMFIELD HILLS MI 48304	N/A	PC	UNRESTRICTED GENERAL SUPPORT	250,000.
Total . . . . ▶ 3a				258,000.
b Approved for future payment				
Total . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

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) Exclusion 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					
4 Dividends and interest from securities			14	151,678.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
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			18	322,906.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				474,584.	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 474,584.

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

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions.)
	NOT APPLICABLE

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Mary Frost | 4-15-2013 | SVP

Signature of officer or trustee | Date | Title

BANK OF AMERICA, N.A.

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
USGI REPORTED AS NONQUALIFIED DIVIDENDS	3.	3.
FOREIGN DIVIDENDS	336.	336.
DOMESTIC DIVIDENDS	97,771.	97,771.
OTHER INTEREST	40,877.	40,877.
U.S. GOVERNMENT INTEREST(FEDERAL TAXABLE	4,719.	4,719.
US GOVERNMENT INTEREST REPORTED AS QUALI	419.	419.
NONQUALIFIED DOMESTIC DIVIDENDS	7,553.	7,553.
TOTAL	151,678.	151,678.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEE - BOA	1,430.			1,430.
TOTALS	1,430.	NONE	NONE	1,430.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES	66.	66.
EXCISE TAX - PRIOR YEAR	6,249.	
EXCISE TAX ESTIMATES	8,794.	
FOREIGN TAXES ON QUALIFIED FOR	4.	4.
FOREIGN TAXES ON NONQUALIFIED	3.	3.
TOTALS	15,116.	73.

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION		AMOUNT
BEG DEF INCOME		29.
BEG ACCR. INCOME		55.
	TOTAL	84.

FORM 990PF, PART XV - LINES 2a - 2d
===================================

RECIPIENT NAME:
DEBORAH L RAHN, U.S. TRUST
ADDRESS:
100 N. BROADWAY
ST. LOUIS, MO 63102-2728
RECIPIENT'S PHONE NUMBER: 314.466.3431
FORM, INFORMATION AND MATERIALS:
LETTER
SUBMISSION DEADLINES:
NONE
RESTRICTIONS OR LIMITATIONS ON AWARDS:
NONE

FEDERAL FOOTNOTES

PART VIII, THE COMPENSATION SHOWN ON THE RETURN THAT IS PAID TO BANK OF AMERICA, N.A. AS CORPORATE TRUSTEE IS NOT CALCULATED BASED UPON AN HOURLY RATE FOR TIME SPENT BY THE TRUSTEE; RATHER, BANK OF AMERICA'S COMPENSATION AS CORPORATE TRUSTEE IS CALCULATED USING A MARKET VALUE FEE SCHEDULE. THE TRUST OFFICER'S TIME SPENT PERFORMING ADMINISTRATIVE RESPONSIBILITIES FOR THIS FOUNDATION AVERAGES ONE HOUR PER WEEK. IN ADDITION, TIME IS SPENT BY OTHER STAFF MEMBERS FOR RECORDKEEPING, INVESTMENT MANAGEMENT, INCOME COLLECTION, RENDERING STATEMENTS AND ACCOUNTINGS, REGULATORY REPORTING, REGULATORY COMPLIANCE, AND TAX SERVICES.

CHARLES FOUNDATION CHARITABLE TR
43-6801942
Balance Sheet
12/31/2012

Bank of America

Cusip	Asset	Units	Basis	Market Value
88579Y101	3M CO	1054 000	73,438 45	97,863 90
002824100	ABBOTT LABS	901 000	17,346 32	59,015 50
009158106	AIR PRODS & CHEMS INC	1271 000	103,896 69	106,789 42
025816109	AMERICAN EXPRESS CO	2647 000	147,593 89	152,149 56
037833100	APPLE INC	315 000	182,043.04	167,634 46
00206R102	AT&T INC	2661.000	61,881 90	89,702.31
052769106	AUTODESK INC	2070 000	67,627 55	73,174.50
071813109	BAXTER INTL INC	678 000	33,892 42	45,195 48
084664BD2	BERKSHIRE HATHAWAY FIN CORP	75000 000	76,629 00	76,162 50
09062X103	BIOGEN IDEC INC	252 000	36,507.85	36,885 24
17275R102	CISCO SYS INC	2983 000	42,373 41	58,614 16
172967424	CITIGROUP INC	2789.000	71,713 28	110,332 84
172967FW6	CITIGROUP INC	50000.000	53,092 00	55,390 00
191216100	COCA COLA CO	1647 000	33,753 19	59,703.75
194162103	COLGATE PALMOLIVE CO	298.000	15,851 60	31,152.92
22541LAH6	CREDIT SUISSE FIRST BOSTON USA	75000.000	75,429 00	77,365.50
231021106	CUMMINS INC	736 000	65,427 73	79,745.60
24702R101	DELL INC	1533 000	17,809 62	15,544.62
254687106	DISNEY WALT CO	1522 000	32,816 47	75,780.38
25468PCM6	DISNEY WALT CO NEW	50000 000	49,719 50	50,681.00
263534BX6	DU PONT E I DE NEMOURS & CO	100000 000	98,050 00	108,823.00
G29183103	EATON CORP PLC	840 000	43,600 20	45,511.20
278865100	ECOLAB INC	978 000	65,721 54	70,318.20
29364G103	ENTERGY CORP NEW	977 000	63,146 24	62,283.75
30161N101	EXELON CORP	684 000	26,633 99	20,342.16
316773100	FIFTH THIRD BANCORP	4574 000	61,877.56	69,524 80
345370860	FORD MTR CO DEL	5577 000	71,461 07	72,222 15
38144G184	GOLDMAN SACHS GROUP INC	1725 000	45,299 84	46,195 50
38259P508	GOOGLE INC	164 000	112,893.78	116,010 32
38259PAC6	GOOGLE INC	50000 000	51,803.50	52,210 00
458140100	INTEL CORP	3540 000	82,666.00	72,994 80
459200GR6	INTERNATIONAL BUSINESS MACHINES	100000 000	101,360 00	100,624 00
459200101	INTERNATIONAL BUSINESS MACHS	720 000	65,675 35	137,916 00
464288224	ISHARES S&P GLOBAL CLEAN	490 000	4,647 58	3,513 30

CHARLES FOUNDATION CHARITABLE TR
43-6801942
Balance Sheet
12/31/2012

Bank of America

Cusip	Asset	Units	Basis	Market Value
46625H100	J P MORGAN CHASE & CO	1973 000	60,852 77	86,751.03
478160104	JOHNSON & JOHNSON	1962 000	108,126 49	137,536.20
478366107	JOHNSON CTLS INC	1335 000	37,573 84	40,944 45
46625H621	JPMORGAN CHASE & CO	1645 000	45,188 03	42,720 65
46625HHL7	JPMORGAN CHASE & CO	100000 000	114,443 00	123,376.00
494368103	KIMBERLY CLARK CORP	321.000	18,430 96	27,102 03
49446R828	KIMCO RLTY CORP	1575 000	45,463.44	41,958 00
50076Q106	KRAFT FOODS GROUP INC	4096 000	185,029.37	186,245.12
57060U209	MARKET VECTORS ENVIRONMENTAL	98 000	4,618 95	4,995 06
585055106	MEDTRONIC INC	1232.000	47,270 70	50,536 64
58933Y105	MERCK & CO INC	1753 000	67,315.74	71,767.82
59156R108	METLIFE INC	3036 000	100,631 33	100,005 84
594918104	MICROSOFT CORP	4709 000	150,481 98	125,775 98
594918AB0	MICROSOFT CORP	100000.000	102,610 00	103,684 00
609207105	MONDELEZ INTL INC	247.000	5,149 94	6,286.94
65339F101	NEXTERA ENERGY INC	675 000	36,216 85	46,703.25
655664100	NORDSTROM INC	1754 000	86,117.95	93,839.00
713448108	PEPSICO INC	555 000	12,797.22	37,978.65
713448BW7	PEPSICO INC	50000.000	50,098 50	52,946 50
714199106	PERMANENT PORTFOLIO	2067.825	100,000 00	100,579 01
74005P104	PRAXAIR INC	622.000	49,476 92	68,077.90
742718109	PROCTER & GAMBLE CO	1286.000	61,656 81	87,306.54
744320508	PRUDENTIAL FINL INC	910 000	24,948 20	23,496.20
74460D141	PUBLIC STORAGE INC	1605 000	44,884 07	43,559.70
773903109	ROCKWELL AUTOMATION INC	799 000	56,067.35	67,108 01
774341101	ROCKWELL COLLINS	1017.000	53,011 24	59,158 89
842587107	SOUTHERN CO	952 000	35,679 52	40,755 12
855030102	STAPLES INC	822 000	10,541 01	9,370 80
855244109	STARBUCKS CORP	758 000	37,815 37	40,651.54
87612E106	TARGET CORP	994 000	41,508 82	58,814 98
89417E109	TRAVELERS COS INC	709 000	42,494.26	50,920 38
911312106	UNITED PARCEL SVC INC	1710 000	126,497.14	126,078 30
912828CJ7	UNITED STATES TREAS NT	25000.000	25,715 82	26,543 00
902973882	US BANCORP DEL DEPOSITARY SHS	900 000	25,049 52	23,040 00

CHARLES FOUNDATION CHARITABLE TR
43-6801942
Balance Sheet
12/31/2012

Bank of America

Cusip	Asset	Units	Basis	Market Value
92343V104	VERIZON COMMUNICATIONS INC	1845.000	69,251.13	79,833 15
931142CN1	WAL-MART STORES INC	100000 000	103,685.00	102,917 00
949746879	WELLS FARGO & CO NEW	1535.000	45,135.51	45,052 25
966837106	WHOLE FOODS MKT INC	472 000	40,656.69	43,027 52
984121103	XEROX CORP	7208 000	47,101.40	49,158 56
	Cash/Cash Equivalent	257377 500	257,377.50	257,377 50
		Totals	4,730,649 90	5,281,352 33