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# Return of Private Foundation

## or Section 4947(a)(1) Nonexempt Charitable Trust

### Treated as a Private Foundation

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

, 20

Name of foundation <b>CHILES FOUNDATION</b>		A Employer identification number 93-6031125						
Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) (503) 222-2143						
111 S.W. FIFTH AVENUE								
City or town, state, and ZIP code PORTLAND, OR 97204								
G Check all that apply: <table border="0"> <tr> <td><input type="checkbox"/> Initial return</td> <td><input type="checkbox"/> Initial return of a former public charity</td> </tr> <tr> <td><input type="checkbox"/> Final return</td> <td><input type="checkbox"/> Amended return</td> </tr> <tr> <td><input type="checkbox"/> Address change</td> <td><input type="checkbox"/> Name change</td> </tr> </table>		<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity							
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return							
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change							
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation								
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 3,523,876.		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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 (attach schedule)					
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		53,146.	53,146.		
4 Dividends and interest from securities		72,656.	72,656.		
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		472,340.			
b Gross sales price for all assets on line 6a 7,910,118.					
7 Capital gain net income (from Part IV, line 2)			472,340.		
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		598,142.	598,142.		
13 Compensation of officers, directors, trustees, etc.		184,455.	103,295.		81,160.
14 Other employee salaries and wages		86,325.	48,342.		37,983.
15 Pension plans, employee benefits		80,149.	18,434.		61,715.
16a Legal fees (attach schedule) ATCH 1		2,091.	585.		1,506.
b Accounting fees (attach schedule) ATCH 2		15,050.	4,214.		10,836.
c Other professional fees (attach schedule)		37,446.	37,446.		
17 Interest		1,948.	772.		
18 Taxes (attach schedule) (see instructions) ATCH 3		5,611.	1,290.		
19 Depreciation (attach schedule) and depletion		63,056.	14,503.		48,553.
20 Occupancy		7,188.	2,516.		4,672.
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) ATCH 4		83,768.	12,833.		70,935.
24 Total operating and administrative expenses. Add lines 13 through 23		567,450.	244,230.		317,360.
25 Contributions, gifts, grants paid		696,243.			792,350.
26 Total expenses and disbursements. Add lines 24 and 25		1,263,693.	244,230.	0	1,109,710.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		-665,551.			
b Net investment income (if negative, enter -0-)			353,912.		
c Adjusted net income (if negative, enter -0-)					

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		
Assets	1	Cash - non-interest-bearing		500.	500.	500.
	2	Savings and temporary cash investments		360,037.	488,205.	488,205.
	3	Accounts receivable	9,478.			
		Less allowance for doubtful accounts			9,478.	9,478.
	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		21,123.	20,425.	20,425.
	10 a	Investments - U.S. and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule) ATCH 5		3,731,161.	2,949,115.	2,949,115.
	c	Investments - corporate bonds (attach schedule)				
	11	Investments - land, buildings, and equipment, basis	ATCH 6 346,131.			
	Less accumulated depreciation (attach schedule)	289,978.	61,764.	56,153.	56,153.	
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)		4,174,585.	3,523,876.	3,523,876.	
Liabilities	17	Accounts payable and accrued expenses		9,587.	3,708.	
	18	Grants payable		4,272,273.	4,171,428.	
	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)		4,281,860.	4,175,136.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted		-482,103.	-1,026,088.	
	25	Temporarily restricted		374,828.	374,828.	
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	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)		-107,275.	-651,260.	
	31	Total liabilities and net assets/fund balances (see instructions)		4,174,585.	3,523,876.	

## 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	-107,275.
2	Enter amount from Part I, line 27a	2	-665,551.
3	Other increases not included in line 2 (itemize) ATCH 7	3	121,566.
4	Add lines 1, 2, and 3	4	-651,260.
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	-651,260.

**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)
<b>1a SEE PART IV SCHEDULE</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
(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)		
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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			
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>2 Capital gain net income or (net capital loss)</b>			<b>2</b>	472,340.	
{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }					
<b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):</b>			<b>3</b>	0	
If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8					

**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	1,052,374.	4,752,864.	0.221419
2010	1,256,429.	5,465,985.	0.229863
2009	1,159,199.	5,902,257.	0.196399
2008	1,329,069.	9,083,590.	0.146315
2007	1,634,777.	12,323,670.	0.132653
<b>2 Total of line 1, column (d)</b>			<b>2</b> 0.926649
<b>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</b>			<b>3</b> 0.185330
<b>4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5</b>			<b>4</b> 3,815,331.
<b>5 Multiply line 4 by line 3</b>			<b>5</b> 707,095.
<b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>			<b>6</b> 3,539.
<b>7 Add lines 5 and 6</b>			<b>7</b> 710,634.
<b>8 Enter qualifying distributions from Part XII, line 4</b>			<b>8</b> 1,109,710.

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 <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b . . . . .		1	3,539.
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	3,539.
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	3,539.
6 Credits/Payments			
a 2012 estimated tax payments and 2011 overpayment credited to 2012 . . . . .		6a	
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	0
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached . . . . .		8	23.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed . . . . .		9	3,562.
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 <input type="checkbox"/> Refunded <input type="checkbox"/> . . . . .		11	

**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 Instructions for the definition)? . . . . . 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		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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ _____		
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		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 . . . . .		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? . . . . .	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . . If "Yes," attach the statement required by General Instruction T		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? If "Yes," complete Part II, col. (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> OR, _____ 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 . . . . .	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 . . . . .		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses . . . . .		X

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**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?	13	X	
Website address <u>N/A</u>				
14	The books are in care of <u>KRISTI RICHARDS</u> Telephone no <u>503-222-2143</u> Located at <u>111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR</u> ZIP+4 <u>97204</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			
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	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>				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
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/>	1b	X
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? <input type="checkbox"/>	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <u></u>		
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) <input type="checkbox"/>	2b	
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></u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/>	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? <input type="checkbox"/>	4b	X

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**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)****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)? ☐ Yes ☒ NoOrganizations 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? ☐ Yes ☒ No

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? ☐ Yes ☒ No**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
ATCH 8		184,455.	30,319.	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
NONE				

**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
NONE		

Total number of others receiving over \$50,000 for professional services . . . . . ▶

**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 NOT APPLICABLE	
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 NOT APPLICABLE	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3 . . . . . ▶	

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	3,753,495.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	43,359.
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	76,578.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	3,873,432.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	3,873,432.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	<b>4</b>	58,101.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	3,815,331.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	190,767.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	190,767.
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5	<b>2a</b>	3,539.
<b>b</b>	Income tax for 2012. (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	3,539.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	187,228.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	187,228.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	187,228.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	1,109,710.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	1,109,710.
<b>5</b>	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)	<b>5</b>	3,539.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	1,106,171.

**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.

Form 990-PF (2012)

Page 9

**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 . . . . .				187,228.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only . . . . .				
b Total for prior years: 20 10, 20 09, 20 08 . . . . .				
3 Excess distributions carryover, if any, to 2012				
a From 2007 . . . . . 1,029,094.				
b From 2008 . . . . . 874,889.				
c From 2009 . . . . . 864,086.				
d From 2010 . . . . . 989,734.				
e From 2011 . . . . . 816,833.				
f Total of lines 3a through e . . . . .	4,574,636.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 1,109,710.				
a Applied to 2011, but not more than line 2a . . . . .				
b Applied to undistributed income of prior years (Election required - see instructions) . . . . .				
c Treated as distributions out of corpus (Election required - see instructions) . . . . .				
d Applied to 2012 distributable amount . . . . .				187,228.
e Remaining amount distributed out of corpus . . . . .	922,482.			
5 Excess distributions carryover applied to 2012. (If an amount appears in column (d), the same amount must be shown in column (a) )				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	5,497,118.			
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .				
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 . . . . .				
d Subtract line 6c from line 6b. Taxable amount - see instructions . . . . .				
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instructions . . . . .				
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013 . . . . .				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . . . .	1,029,094.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a . . . . .	4,468,024.			
10 Analysis of line 9				
a Excess from 2008 . . . . . 874,889.				
b Excess from 2009 . . . . . 864,086.				
c Excess from 2010 . . . . . 989,734.				
d Excess from 2011 . . . . . 816,833.				
e Excess from 2012 . . . . . 922,482.				

Form 990-PF (2012)

**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)(ii) . . . . .					
(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).)

NONE

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.

NONE

**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.

ATCH 9

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

ATTACHMENT 9

c Any submission deadlines

ATTACHMENT 9

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

ATTACHMENT 9

**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
<b>a Paid during the year</b> ATTACHMENT 10				792,350.
<b>Total</b> . . . . .			▶ <b>3a</b>	792,350.
<b>b Approved for future payment</b> ATTACHMENT 11				4,188,250.
<b>Total</b> . . . . .			▶ <b>3b</b>	4,188,250.

**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) Exclusion code	(d) Amount		
<b>1</b> Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
<b>2</b> Membership dues and assessments . . . . .						
<b>3</b> Interest on savings and temporary cash investments			14	53,146.		
<b>4</b> Dividends and interest from securities . . . . .			14	72,656.		
<b>5</b> Net rental income or (loss) from real estate:						
a Debt-financed property . . . . .						
b Not debt-financed property . . . . .						
<b>6</b> Net rental income or (loss) from personal property .						
<b>7</b> Other investment income . . . . .						
<b>8</b> Gain or (loss) from sales of assets other than inventory			18	472,340.		
<b>9</b> Net income or (loss) from special events . . .						
<b>10</b> Gross profit or (loss) from sales of inventory . .						
<b>11</b> Other revenue. a _____						
b _____						
c _____						
d _____						
e _____						
<b>12</b> Subtotal. Add columns (b), (d), and (e) . . . . .				598,142.		
<b>13</b> Total. Add line 12, columns (b), (d), and (e) . . . . .				598,142.		

(See worksheet in line 13 instructions to verify calculations )

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

[illegible]



**SCHEDULE D  
(Form 1041)**

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

▶ Attach to Form 1041, Form 5227, or Form 990-T.  
▶ Information about Schedule D (Form 1041) and its separate instructions is at  
[www.irs.gov/form1041](http://www.irs.gov/form1041).

OMB No 1545-0092

**2012**

Name of estate or trust

CHILES FOUNDATION

Employer identification number

93-6031125

**Note:** Form 5227 filers need to complete *only* Parts I and II.

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	<b>1b</b>	351,497.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	<b>2</b>	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	<b>3</b>	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet	<b>4</b>	( )
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back	<b>5</b>	351,497.

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	<b>6b</b>	120,843.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	<b>7</b>	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	<b>8</b>	
9 Capital gain distributions	<b>9</b>	
10 Gain from Form 4797, Part I	<b>10</b>	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet	<b>11</b>	( )
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back	<b>12</b>	120,843.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2012

**Part III Summary of Parts I and II****Caution:** Read the instructions before completing this part.

	(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
<b>13</b> Net short-term gain or (loss) . . . . .	<b>13</b>		351,497.
<b>14</b> Net long-term gain or (loss):			
a Total for year . . . . .	<b>14a</b>		120,843.
b Unrecaptured section 1250 gain (see line 18 of the wrksht) . . . . .	<b>14b</b>		
c 28% rate gain . . . . .	<b>14c</b>		
<b>15</b> Total net gain or (loss). Combine lines 13 and 14a . . . . .	<b>15</b>		472,340.

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

**Part IV Capital Loss Limitation**

<b>16</b> Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:	<b>16</b>	
a The loss on line 15, column (3) or b \$3,000 . . . . .		

**Note:** If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

**Part V Tax Computation Using Maximum Capital Gains Rates**

**Form 1041 filers.** Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

**Caution:** Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

**Form 990-T trusts.** Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

<b>17</b> Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . . .	<b>17</b>	
<b>18</b> Enter the smaller of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>	
<b>19</b> Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . . . .	<b>19</b>	
<b>20</b> Add lines 18 and 19 . . . . .	<b>20</b>	
<b>21</b> If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . . . .	<b>21</b>	
<b>22</b> Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>	
<b>23</b> Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>	
<b>24</b> Enter the smaller of the amount on line 17 or \$2,400 . . . . .	<b>24</b>	
<b>25</b> Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23. . . . .	<b>25</b>	
<b>26</b> Subtract line 25 from line 24. . . . .	<b>26</b>	
<b>27</b> Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30; go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22 . . . . .	<b>27</b>	
<b>28</b> Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>28</b>	
<b>29</b> Subtract line 28 from line 27 . . . . .	<b>29</b>	
<b>30</b> Multiply line 29 by 15% (.15) . . . . .	<b>30</b>	
<b>31</b> Figure the tax on the amount on line 23. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	<b>31</b>	
<b>32</b> Add lines 30 and 31 . . . . .	<b>32</b>	
<b>33</b> Figure the tax on the amount on line 17. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	<b>33</b>	
<b>34</b> Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . . . .	<b>34</b>	

Schedule D (Form 1041) 2012



Department of the Treasury  
Internal Revenue Service

▶ **Attach to Schedule D to list additional transactions for lines 1a and 6a.**

► Information about Schedule D (Form 1041) and its separate instructions is at [www.irs.gov/form1041](http://www.irs.gov/form1041).

OMB No. 1545-0092

2012

Name of estate or trust

CHILES FOUNDATION

Employer identification number

93-6031125

[illegible]

<b>1b Total.</b> Combine the amounts in column (f). Enter here and on Schedule D, line 1b . . . . .	351,497.
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**For Paperwork Reduction Act Notice, see the Instructions for Form 1041.**

Schedule D-1 (Form 1041) 2012

JSA  
2F 1221 2 000

493492 6549

Employer identification number

## Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 sh. 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
<b>6a</b> STATE STREET/MONARCH LONG TERM	VAR	VAR	751,303.	664,973.	86,330.
UBS LONG TERM	VAR	VAR	94,500.	91,173.	3,327.
ATLAS ONE LONG TERM	VAR	VAR	338,118.	306,932.	31,186.
<b>6b Total.</b> Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . .					120,843

**FORM 990-PF - PART IV**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
5,098,639.		STATE STREET/MONARCH SHORT TERM PROPERTY TYPE: SECURITIES 4,748,151.				P	VAR 350,488.	VAR
751,303.		STATE STREET/MONARCH LONG TERM PROPERTY TYPE: SECURITIES 664,973.				P	VAR 86,330.	VAR
14,078.		UBS SHORT TERM PROPERTY TYPE: SECURITIES 14,590.				P	VAR -512.	VAR
94,500.		UBS LONG TERM PROPERTY TYPE: SECURITIES 91,173.				P	VAR 3,327.	VAR
1,613,480.		ATLAS ONE SHORT TERM PROPERTY TYPE: SECURITIES 1,611,959.				P	VAR 1,521.	VAR
338,118.		ATLAS ONE LONG TERM PROPERTY TYPE: SECURITIES 306,932.				P	VAR 31,186.	VAR
TOTAL GAIN(LOSS) .....							<u>472,340.</u>	

ATTACHMENT 1FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
LEGAL FEES	2,091.	585.		1,506.
TOTALS	<u>2,091.</u>	<u>585.</u>		<u>1,506.</u>

ATTACHMENT 2FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
PRICEWATERHOUSECOOPERS, LLP	15,050.	4,214.		10,836.
TOTALS	<u>15,050.</u>	<u>4,214.</u>		<u>10,836.</u>

ATTACHMENT 3FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FEDERAL TAXES	1,076.	
STATE TAXES	100.	
INVESTMENT TAXES	772.	772.
TOTALS	<u>1,948.</u>	<u>772.</u>

ATTACHMENT 4FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
OFFICE SUPPLIES	17,782.	4,090.	13,692.
TELEPHONE AND POSTAGE	9,810.	2,257.	7,553.
DUES AND SUBSCRIPTIONS	3,416.	2,391.	1,025.
REPAIRS AND MAINTENANCE	4,533.	1,042.	3,490.
INSURANCE	10,031.		10,031.
AUTO AND PARKING	12,332.	2,836.	9,496.
MISCELLANEOUS OTHER EXPENSES	25,864.	217.	25,648.
TOTALS	<u>83,768.</u>	<u>12,833.</u>	<u>70,935.</u>

**FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK**

	12/31/2012	
	Cost	FMV
<b>Total Equities - Common Stock</b>		
Atlas One	90,086	118,907
Monarch	1,915,907	2,088,334
UBS	95,286	110,564
Total Equities	<u>2,101,280</u>	<u>2,317,805</u>
<b>Total Convertible Stock</b>		
Atlas One	-	-
Monarch	-	-
UBS	-	-
Total Mutual Funds	<u>-</u>	<u>-</u>
<b>Total Mutual Funds</b>		
Atlas One		
Monarch	-	-
UBS	23,620	28,222
Total Mutual Funds	<u>23,620</u>	<u>28,222</u>
<b>Total Fixed Income</b>		
Atlas One	544,524	574,916
Monarch	-	-
UBS	18,338	18,219
Total Fixed Income	<u>562,862</u>	<u>593,136</u>
<b>Total Dividend &amp; Interest Receivable</b>		
Atlas One	-	-
Monarch	9,478	9,478
UBS	225	225
Total Fixed Income	<u>9,703</u>	<u>9,703</u>
	<u>2,697,465</u>	<u>2,948,865</u>

- 1) Monarch Financial Management
- 2) Atlas One Financial Group, LLC
- 3) UBS Financial Services

ATTACHMENT 5.1  
ATTACHMENT 5.2  
ATTACHMENT 5.3



FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK

MONARCH FINANCIAL MANAGEMENT

Security	Symbol	No of Shares	Cost per Share	Total Cost	Price at 12/31/2012	Total value 12/31/2012
<u>Cash and Cash Equivalents</u>				<u>103,687</u>		<u>103,687</u>
<u>Common Stock</u>						
Acadia Healthcare Co Inc	ACHC	1,500 00	21 42	32,137	23 33	34,995
Airgas Inc	ARG	300 00	78 83	23,649	91 29	27,387
American Axle & Manufacturing Holdings Inc	AXL	1,900 00	12 81	24,331	11 20	21,280
America Campus Communities Inc	ACC	600 00	43 12	25,869	46 13	27,678
American Capital LTD	ACAS	2,300 00	8 20	18,850	12 00	27,600
Arris Group Inc	ARRS	1,400 00	13 30	18,619	14 94	20,916
Ascena Retail Group Inc	ASNA	1,100 00	20 38	22,418	18 47	20,317
Aspen Insurance Holdings LTD	AHL	1,400 00	29 54	41,356	32 08	44,912
Banner Corp	BANR	1,300 00	21 45	27,885	30 73	39,949
Black Hills Corp	BKH	900 00	32 93	29,637	36 34	32,706
Bob Evans Farms Inc	BOBE	971 00	37 75	36,657	40 20	39,034
C&J Energy Services Inc	CJES	1,400 00	25 39	35,546	21 44	30,016
CIT Group Inc	CIT	1,100 00	40 30	44,330	38 64	42,504
Cleco Corp New Com	CNL	1,300 00	42 30	54,990	40 01	52,013
CMS Energy Corp Com	CMS	1,000 00	20 53	20,530	24 38	24,380
Community Health Systems Inc	CYH	1,100 00	31 63	34,793	30 74	33,814
Deltic Timber Corp	DEL	400 00	63 25	25,300	70 62	28,248
Deluxe Corp	DLX	1,700 00	25 04	42,568	32 24	54,808
Eagle Bancorp Inc (Maryland)	EGBN	2,800 00	17 42	48,776	19 97	55,916
East West Bancorp Inc Com	EWBC	1,200 00	20 93	25,116	21 49	25,788
El Paso Electric Co	EE	1,500 00	32 10	48,150	31 91	47,865
Energy XXI Bermuda	EXXI	1,017 00	27 21	27,673	32 17	32,717
Ethan Allen Interiors Inc	ETH	800 00	20 73	16,584	25 71	20,568
Evercore Partners Inc CL A	EVR	1,574 00	28 28	44,513	30 19	47,519
Genesco Inc Com	GCO	300 00	62 40	18,720	55 00	16,500
Geo Group Inc	GEO	1,424 61	24 86	35,416	28 20	40,174
GP Strategies Corp	GPX	1,534 00	14 01	21,491	20 65	31,677
Graphic Packaging Holding Co	GPX	5,300 00	4 82	25,546	6 46	34,238
Healthsouth Corp	HLS	1,000 00	17 73	17,730	21 11	21,110
Hilltop Holdings Inc	HTH	2,500 00	13 76	34,400	13 54	33,850
Hologic Inc	HOLX	2,000 00	20 37	40,740	20 01	40,020
Hornbeck Offshore Services Inc	HOS	500 00	38 57	19,285	34 34	17,170
Innospec Inc	IOSP	500 00	31 74	15,870	34 49	17,245
Joy Global Inc	JOY	600 00	61 26	36,756	63 78	38,268
Kansas City Southern Com New	KSU	300 00	55 80	16,740	83 48	25,044
Lions Gate Entertainment Cor	LGF	2,300 00	13 32	30,636	16 40	37,720
LSB Industries Inc	LXU	500 00	37 84	18,920	35 42	17,710
Manhattan Associates Inc	MANH	700 00	59 13	41,391	60 34	42,238
Men's Warehouse Inc	MW	700 00	32 31	22,617	31 16	21,812
Micro Systems Inc	MCRS	500 00	52 20	26,100	42 44	21,220
Nationstar Mortgage Holdings	NSM	1,500 00	23 37	35,055	30 98	46,470
Netscout Systems Inc	NTCT	1,500 00	22 91	34,365	25 99	38,985
Nuance Communications Inc	NUAN	996 00	27 05	26,942	22 32	22,231
Ocwen Financial Corp	OCN	600 00	15 19	9,114	34 59	20,754
One Beacon Insurance Group	OB	2,300 00	13 59	31,257	13 90	31,970
Pacwest Bancorp	PACW	1,500 00	23 00	34,500	24 77	37,155
Perkinelmer Inc	PKI	1,000 00	26 58	26,580	31 74	31,740
PHH Corp	PHH	2,752 00	16 00	44,032	22 75	62,608
Ramcogers-henson Properties	RPT	1,600 00	10 32	16,512	13 31	21,296
RF Micro Devices Inc	RFMD	7,300 00	4 55	33,215	4 48	32,704
Ryder System Inc	R	500 00	49 46	24,730	49 93	24,965
Ryman Hospitality Properties	RHP	1,115 86	28 83	32,170	38 46	42,916
Snap On Inc	SNA	230 00	55 04	12,659	78 99	18,168
Snyders-Lance Inc	LNCE	900 00	24 48	22,032	24 12	21,708
Sonic Corp	SONC	2,000 00	10 55	21,100	10 41	20,820

**FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK**

**MONARCH FINANCIAL MANAGEMENT**

<u>Security</u>	<u>Symbol</u>	<u>No of Shares</u>	<u>Cost per Share</u>	<u>Total Cost</u>	<u>Price at 12/31/2012</u>	<u>Total value 12/31/2012</u>
Spectrum Brands Holdings Inc	SPB	482 00	47 48	22,885	44 93	21,656
Sprint Airlines Inc	SAVE	1,700 00	17 59	29,903	17 73	30,141
Stag Industrial Inc	STAG	1,100 00	16 85	18,535	17 97	19,767
Summit Hotel Properties Inc	INN	4,200 00	8 39	35,238	9 50	39,900
Thoratec Corp	THOR	900 00	34 16	30,744	37 52	33,768
Tunken Co	TKR	900 00	42 73	38,457	47 83	43,047
US Silca Holdings Inc	SLCA	1,400 00	10 69	14,966	16 73	23,422
Vocus Inc	VOCS	1,500 00	18 43	27,645	17 38	26,070
Volterra Semiconductor Corp	VLTR	1,800 00	21 94	39,492	17 17	30,906
Walter Investmnet Management Corp	WAC	400 00	39 46	15,784	43 02	17,208
Whiting Pete Corp New	WLL	900 00	50 40	45,360	43 37	39,033
Total per detail		<u>92,296</u>		<u>1,915,907</u>		<u>2,088,334</u>

FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK

ATLAS ONE FINANCIAL GROUP, LLC

Investment Name	CUSIP / Symbol	Trade Date	No of Shares	Purchase Price	Cost Basis	Per Unit Market at 12/31/12	Total Market at 12/31/12
<b>Cash and Cash Equivalents</b>							
Money Market- Federated Capital Reserves	N/A	12/31/2012	N/A	1	328,539	1 00	328,539
					<u>328,539</u>		<u>328,539</u>
<b>Fixed Income (Corporate Bonds)</b>							
Telefonica Emisiones S A U	87938WAG8	07/11/12	500	99 512	49,756	111 250	55,625
Suntrust Bks Inc	867914AZ6	08/27/09	320	98 520	31,526	118 162	37,812
The Israel Electric Corp	46507NAA8	02/02/12	500	103 125	51,563	108 650	54,325
Genworth Finl Inc	37247DAM8	VAR	1,000	103 194	103,194	110 401	110,401
Best Buy Inc	086516AL5	08/09/12	250	93 024	23,256	84 750	21,188
Zurch Reins Centre Holdings Inc	989822AA9	08/24/12	300	113 540	34,062	117 482	35,245
Goldman Sachs Group Inc	38143YAC7	07/27/10	1,000	98 777	98,777	109 684	109,684
Amerenergy Generating Co	02360XAL1	09/29/10	500	101.368	50,684	72 500	36,250
Lloyds TSB Bk PLC	53947PAB5	03/10/11	500	100 696	50,348	118 000	59,000
Lloyds TSB Bk PLC	53947QAA5	04/26/11	500	102 717	51,359	110 775	55,388
					<u>544,524</u>		<u>574,916</u>
<b>Common Stocks</b>							
Apple Inc	APPL	VAR	50	564 670	28,234	532 172	26,609
1Shares INC MSCI Malaysia Free Index FD	EWM	VAR	500	14 252	7,126	15 130	7,565
1Shares MSCI Mexico Investable Market Index	EWV	VAR	125	49 821	6,228	70 530	8,816
1Shares Trust Dow Jones US Real Estate Index	IYR	VAR	115	32 299	3,714	64 670	7,437
1Shares Trust Dow Jones US Industrial Sector	IYJ	VAR	100	71 058	7,106	73 330	7,333
1Shares Trust Dow Jones US Consumer Goods	IYK	VAR	85	43 578	3,704	74 990	6,374
1Shares Trust Dow Jones US Consumer Services	IYC	VAR	100	63 848	6,385	86 800	8,680
1Shares Trust Dow Jones US Technology Ind	IYW	VAR	100	31 279	3,128	70 720	7,072
1Shares Trust North American Technology	IGM	VAR	100	29 568	2,957	67 460	6,746
1Shares S&P North American Technology	IGV	VAR	120	47 916	5,750	63 029	7,563
1Shares TR Cohen & Steers Realty Majors	ICF	VAR	103	36 036	3,712	78 540	8,090
1Shares Trust-Dow Jones US	IYT	VAR	80	59 531	4,763	94 345	7,548
1Shares Inc MSCI Thailand Index Fund	THD	VAR	110	66 192	7,281	82 490	9,074
					<u>90,086</u>		<u>118,907</u>

FORM 990PF, PART II - INVESTMENTS - CORPORATE STOCK

UBS FINANCIAL SERVICES

Investment Name	CUSIP / Symbol	Trade Date	Shares	Purchase Price	Cost Basis	Per Unit Market at 12/31/12	Total Market at 12/31/12
<b><u>Cash and Cash Equivalents</u></b>							
Cash	N/A	N/A	N/A	N/A	11	1 00	11
RMA Money Market Portfolio	N/A	N/A	N/A	N/A	12,071	1 00	12,071
					<u>12,082</u>		<u>12,082</u>
<b><u>Equity- Common Stock</u></b>							
Abbot Labs	ABT	05/25/10	57 00	46 646	2,659	65 500	3,734
Aecom Technology Corp	ACM	VAR	121 00	22 509	2,724	23 800	2,880
Aflac	AFL	VAR	75 00	44 849	3,364	53 120	3,984
Apple Inc	AAPL	04/27/11	8 00	350 899	2,807	532 172	4,257
Bard C R Inc	BCR	10/16/06	18 00	76 350	1,374	97 740	1,759
Baxter Intl Inc	BAX	05/25/10	39 00	41.397	1,614	66 660	2,600
Carbo Ceramics Inc	CRR	VAR	33 00	97 392	3,214	78 340	2,585
Cisco Systems Inc	CSCO	10/05/06	199 00	23 930	4,762	19 649	3,910
Coca Cola Co Com	KO	05/15/07	54 00	26 307	1,421	36.250	1,958
CVS Caremark Corp	CVS	11/07/08	89 00	30 422	2,708	48 350	4,303
Deere and Co	DE	VAR	29 00	81.082	2,351	86 420	2,506
Dover Corp	DOV	04/20/12	44 00	60 222	2,650	65 710	2,891
Fedex Corp	FDX	VAR	35 00	87 101	3,049	91 720	3,210
Fiserv Inc	FISV	10/05/06	28 00	48 080	1,346	79 030	2,213
Gardner Denver Inc	GDI	VAR	43 00	62 443	2,685	68 500	2,946
Google Inc Cl A	GOOG	07/06/11	7 00	537 453	3,762	707 380	4,952
Illinois Tool Works Inc	ITW	08/03/11	38 00	48 882	1,858	60 810	2,311
Intel Corp	INTC	10/16/06	154 00	21 720	3,345	20 620	3,175
Intl Business Machine	IBM	10/16/06	11 00	86 790	955	191 550	2,107
Lincoln National Corp Ind	LNC	11/03/11	96 00	19 558	1,878	25 900	2,486
Lowes Companies Inc	LOW	VAR	147 00	31 286	4,599	35 520	5,221
McDonalds Corp	MCD	10/08/09	25 00	57 226	1,431	88 210	2,205
Metlife Inc	MET	10/05/06	103 00	57 090	5,880	32 940	3,393
Microsoft Corp	MSFT	10/16/06	135 00	28 480	3,845	26 709	3,606
Natl Bank CDA Montreal Que Canada							
ORD CAD	NTIOF	12/13/12	26 00	78 020	2,029	77 770	2,022
Oracle Corp	ORCL	10/05/06	109 00	18 190	1,983	33 320	3,632
Proctor & Gamble Co	PG	04/27/07	48 00	62 670	3,008	67 890	3,259
Quality Systems Inc	QSII	11/21/08	68 00	14 500	986	17.360	1,180
Sasol LTD Spon ADR	SSL	11/02/06	80 00	33 538	2,683	43 290	3,463
Schein Henry Inc	HSIC	05/25/10	27 00	54 127	1,461	80 420	2,171
Schlumberger LTD Netherlands Antilles	SLB	10/05/12	47 00	71 880	3,378	69 298	3,257
Staples Inc	SPLS	11/06/12	191 00	11 760	2,246	11 400	2,177
Starbucks Corp	SBUX	04/02/08	56 00	18 570	1,040	53 630	3,003
Stryker Corp	SYK	04/09/09	78 00	34 868	2,720	54 820	4,276
Syngenta AG Spon ADR	SYT	04/29/10	20 00	50 185	1,004	80 800	1,616
Teva Pharmaceuticals Ind LTD Israel							
ADR	TEVA	VAR	75 00	53 011	3,976	37 340	2,801
Union Pacific Corp	UNP	12/13/12	20 00	124 710	2,494	125 720	2,514
					<u>95,286</u>		<u>110,564</u>
<b><u>Fixed Income</u></b>							
Staples Inc NTS	855030AJ1	11/18/11	50 00	115 108	5,755	108 720	5,436
1Shares Barclays 1-3 YR CD BD DF	CSJ	Various	74 00	105 513	7,808	105 480	7,806
1Shares Barclays TIPS Bond Fund	TIP	11/17/11	41 00	116 460	4,775	121 410	4,978
					<u>18,338</u>		<u>18,219</u>
<b><u>Equity- Closed End Mutual Funds</u></b>							
H&Q Life Sciences Investors	HQL	Various	383 00	10 302	3,946	14 499	5,553
1Shares Trust S&P Developed	WPS	04/07/11	75 00	34 341	2,576	36 311	2,723
1Shares Trust FTSE EPRA/NAREIT	IFGL	04/07/11	82 00	31 548	2,587	33 130	2,717
Petroleum & Resources CP	PEO	Various	180 00	21 965	3,954	23 920	4,306
Royce Micro-Cap Trust Inc	RMT	Various	181 00	7 860	1,423	9 450	1,710
Templeton Emergin MKTS FD Inc Dela	EMF	04/28/11	98 00	24 091	2,361	20 000	1,960
Vanguard MSCI Emerging Markets ETF	VWO	Various	104 00	21 473	2,233	44 530	4,631
Vanguard FTSE All WO X-US SC	VSS	08/03/11	28 00	97 958	2,743	90 890	2,545
Wisdomtree Emerging Markets	DGS	11/01/11	42 00	42 820	1,798	49.440	2,076
					<u>23,620</u>		<u>28,222</u>

**FORM 990PF, PART II - INVESTMENTS - LAND, BUILDINGS, & EQUIPMENT**

	<b>Balance</b>			<b>Balance</b>
	<b>12/31/11</b>	<b>Additions</b>	<b>Deletions</b>	<b>12/31/12</b>
Equipment	265,240	-	-	265,240
Library & Art	43,902	-	-	43,902
Automobiles	-	-	-	-
Leasehold Improvements	36,989	-	-	36,989
Total	346,131	-	-	346,131
				-
Accumulated Depreciation	(251,091)	(5,611)		(256,702)
Accumulated Amortization	(33,276)	-	-	(33,276)
Total	(284,367)	(5,611)	-	(289,978)
				-
Net Land, Buildings & Equipment	61,764	(5,611)	-	56,153

ATTACHMENT 7FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCESDESCRIPTIONAMOUNT

BOOK ADJUSTMENT TO MARK TO MARKET ACCTG	121,566.
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TOTAL	<u>121,566.</u>
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## CHILES FOUNDATION

93-6031125

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 8

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>
EARLE M. CHILES 111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR 97204	PRESIDENT/TRUSTEE 40.00	65,455.	9,818.
PEDRO GARCIA 111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR 97204	TRUSTEE 20.00	37,000.	5,974.
KRISTI RICHARDS 111 S.W. FIFTH AVENUE, SUITE 4050 PORTLAND, OR 97204	ASSISTANT SECRETARY 40.00	82,000.	14,527.
J. KENNETH MENGES, JR. AKIN, GUMP, STRAUSS, HAUER, FELD, LLP 1700 PACIFIC AVENUE, SUITE 4100 DALLAS, TX 75201-4618	SECRETARY/TRUSTEE 5.00	0	0
GRAND TOTALS		184,455.	30,319.

**CHILES FOUNDATION**  
**93-6031125**  
**For the Year Ended December 31, 2012**

**Form 990PF - Part XV, Line 2**

Requests for grants should be mailed to the Chiles Foundation, 111 SW Fifth Avenue, Suite 4050, Portland, Oregon 97204, (503) 222-2143 between July 1st and July 15th each year. The trustees meet during the year for the purpose of making awards.

The Foundation's principal purposes are to assist and supports education and medical advancement.

Applicants generally must be non-profit, publicly supported organizations with 501(c)(3) exemptions. Grants are made primarily within the State of Oregon and the Pacific Northwest; however, the Foundation is not restricted territorially in its grant making.

The Foundation prefers initial contact be made with the Foundation's offices to obtain an application form and review the substance of the proposed request prior to filing a formal application



**CHILES FOUNDATION**  
**93-6031125**  
**SCHEDULE OF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**  
**For the Year Ended December 31, 2012**

<u>Organization Name:</u>	<u>Grant Paid</u>
<b>GRANTS:</b>	
<b><u>Cultural:</u></b>	
Boston Symphony Orchestra	
General Operating Support	100,000
Dallas Theater Center	
General Operating Support	10,000
High Desert Museum, Portland, Oregon	
General Operating Support	75,800
Museum of Fine Arts, Boston	
General Operating Support	3,000
Portland Art Museum	
General Operating Support	5,000
<b>Subtotal:</b>	<b><u>193,800</u></b>
<b><u>Education:</u></b>	
Ludwig-Maximilians University - Munich	
General Operating Support	102,000
Our Lady of Lourdes School	
General Operating Support	3,000
Stanford University, Stanford, California	
Scholarship Assistance and General Operating Support	161,000
University of Portland, Portland, Oregon	
Scholarship Assistance and General Operating Support	157,000
<b>Subtotal:</b>	<b><u>423,000</u></b>

**CHILES FOUNDATION**  
**93-6031125**  
**SCHEDULE OF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**  
**For the Year Ended December 31, 2012**

<b><u>Organization Name:</u></b>	<b><u>Grant Paid</u></b>
<b><u>Medical &amp; Medical Advancement</u></b>	
Fanconi Anemia Research Fund, Inc.	
General Operating Support	2,500
Providence Portland Medical Foundation, Portland, Oregon	
Support continuing clinical and experimental research	112,500
<b>Subtotal:</b>	<b><u><u>115,000</u></u></b>
<b><u>Other</u></b>	
Archdiocese of Portland in Oregon, Portland, Oregon	
General Operating Support	4,000
Catholic Charities	
General Operating Support	5,000
First Growth Children & Family Charities, dba Classic Wines Auction	
General Operating Support	2,550
F.C. Portland Academy, Portland, Oregon	
Scholarship Assistance	25,000
Futball-Forderverein-Mumau	
General Operating Support	2,000
Oregon Community Foundation	
General Operating Support	1,000
Priests of Holy Cross in Oregon	
General Operating Support	1,000
Serra Club of Portland	
General Operating Support	3,000
St. Mary's Cathedral	
General Operating Support	3,500
St. Michael's Church	
General Operating Support	5,500
Tualatin Hills Babe Ruth Baseball	
General Operating Support	5,000
Verbier Churches	
General Operating Support	3,000
<b>Subtotal:</b>	<b><u><u>60,550</u></u></b>
<b>Total Grants</b>	<b><u><u>\$ 792,350</u></u></b>
<b>Total Contributions and Grants</b>	<b><u><u>\$ 792,350</u></u></b>

**CHILES FOUNDATION**  
**93-6031125**  
**SCHEDULE OF GRANTS APPROVED FOR FUTURE PAYMENT**  
**For the Year Ended December 31, 2012**

<u><b>Organization Name:</b></u>	<u><b>Grants Approved</b></u>
<u><b>Cultural:</b></u>	
High Desert Museum, Portland, Oregon	50,000
General Operating Support	
<b>Subtotal:</b>	<u><u><b>50,000</b></u></u>
<u><b>Education:</b></u>	
Portland State University, Portland, OR	110,000
Scholarship Assistance and General Operating Support	
Stanford University, Stanford, California	961,500
General Operating Support	
University of Oregon, Eugene, Oregon	425,000
General Operating Support	
University of Portland, Portland, Oregon	1,825,000
General Operating Support	
<b>Subtotal:</b>	<u><u><b>3,321,500</b></u></u>
<u><b>Medical &amp; Medical Advancement</b></u>	
Providence Portland Medical Foundation, Portland, Oregon	816,750
Support continuing clinical and experimental research	
<b>Subtotal:</b>	<u><u><b>816,750</b></u></u>
<b>Total</b>	<u><u><b>\$ 4,188,250</b></u></u>