



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

2012

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 3/06, 2013 and ending 6/30, 2013

Herbert W. Vaughan Charitable Foundation
c/o The Philadelphia Trust Company
1760 Market Street
Philadelphia, PA 19103

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

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ► \$ 3,800,930. J Accounting method Cash Accrual
 Other (specify) (Part I, column (d) must be on cash basis) --

A Employer identification number
 45-6911090

B Telephone number (see the instructions)
 215.979.3462

C If exemption application is pending, check here ►

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

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

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

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)	3,731,792.			
	2 Ck ► <input type="checkbox"/> if the foundation is not req to att Sch B				
	3 Interest on savings and temporary cash investments				n/a
	4 Dividends and interest from securities	36,179.	16,450.		
	5a Gross rents	60,649.			
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a . . . <u>1,484,311.</u>				
	7 Capital gain net income (from Part IV, line 2)		60,649.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less cost of goods sold <u>1,484,311.</u>					
c Gross profit/(loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	3,828,620.	77,099.	0.		
ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc.	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other prof fees (attach schedule) See St 1	1,373.	687.		686.
	17 Interest . . .				
	18 Taxes (attach schedule)(see instrs) . . .				
	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	1,373.	687.		686.
25 Contributions, gifts, grants paid Part XV	260,000.			260,000.	
26 Total expenses and disbursements. Add lines 24 and 25	261,373.	687.	0.	260,686.	
27 Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements	3,567,247.				
b Net investment income (if negative, enter -0-)		76,412.			
c Adjusted net income (if negative, enter -0-)			n/a		

2/18 M

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
ASSETS	1	Cash – non-interest-bearing		
	2	Savings and temporary cash investments		168,998.
	3	Accounts receivable		
		Less: allowance for doubtful accounts ►		
	4	Pledges receivable		
		Less: allowance for doubtful accounts ►		
	5	Grants receivable		
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)		
	7	Other notes and loans receivable (attach sch) ►		
		Less: allowance for doubtful accounts ►		
	8	Inventories for sale or use		
	9	Prepaid expenses and deferred charges		
	10a	Investments – U.S. and state government obligations (attach schedule)		1,425,414.
	b	Investments – corporate stock (attach schedule)		1,842,380.
	c	Investments – corporate bonds (attach schedule)		130,452.
	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)	0.	3,567,244.	
			3,800,930.	
LIABILITIES	17	Accounts payable and accrued expenses		
	18	Grants payable		
	19	Deferred revenue		
	20	Loans from officers, directors, trustees, & other disqualified persons		
	21	Mortgages and other notes payable (attach schedule)		
	22	Other liabilities (describe ►))		
	23	Total liabilities (add lines 17 through 22)	0.	0.
NET ASSETS	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24	Unrestricted		
	25	Temporarily restricted		
	26	Permanently restricted		
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>			
	27	Capital stock, trust principal, or current funds		3,567,244.
	28	Paid-in or capital surplus, or land, building, and equipment fund		
	29	Retained earnings, accumulated income, endowment, or other funds		
	30	Total net assets or fund balances (see instructions)	0.	3,567,244.
	31	Total liabilities and net assets/fund balances (see instructions)	0.	3,567,244.

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	0.
2	Enter amount from Part I, line 27a	2	3,567,247.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	3,567,247.
5	Decreases not included in line 2 (itemize) ► <u>See Statement 2</u>	5	3.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	3,567,244.

Part V Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a See Statement 3				
b				
c				
d				
e				
(e) Gross sales price		(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69		(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)	— [If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]		2	60,649.
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	0.

Part VI 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)

N/A

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

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

 Yes No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2011			
2010			
2009			
2008			
2007			

2 Total of line 1, column (d)

2

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

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5

4

5 Multiply line 4 by line 3

5

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

7 Add lines 5 and 6

7

8 Enter qualifying distributions from Part XII, line 4

8

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.	
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b.	1 1,528.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)	
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2 0.
3 Add lines 1 and 2.	3 1,528.
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 1,528.
6 Credits/Payments.	
a 2012 estimated tax pmts 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 2.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed.	9 1,530.
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 VI A Statements Regarding Activities

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?

Yes	No
1 a	X

1 b	X
-----	---

1 c	X
-----	---

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

2 Has the foundation engaged in any activities that have not previously been reported to the IRS?

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

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

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

b If 'Yes,' has it filed a tax return on Form 990-T for this year?

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:

--	--

--	--

--	--

--	--

--	--

--	--

--	--

--	--

7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV

--	--

--	--

--	--

8 a Enter the states to which the foundation reports or with which it is registered (see instructions) ►

--	--

MA

--	--

--	--

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

--	--

--	--

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.

--	--

--	--

10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses

--	--

--	--

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11	X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12	X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address	13	X
14	The books are in care of ▶ <u>The Philadelphia Trust Co.</u> Telephone no ▶ <u>215.979.3462</u> Located at ▶ <u>1760 Market Street Philadelphia PA</u> ZIP + 4 ▶ <u>19103</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15	N/A	□ N/A
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22 1. If 'Yes,' enter the name of the foreign country ▶	16	Yes No X

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.		Yes	No
1 a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<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 type="checkbox"/> Yes	<input checked="" 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)? Organizations relying on a current notice regarding disaster assistance check here ▶	1 b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1 c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If 'Yes,' list the years ▶ 20 ____ , 20 ____ , 20 ____ , 20 ____	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement — see instructions)	2 b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20 ____ , 20 ____ , 20 ____ , 20 ____		
3 a	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.)	3 b	N/A
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4 b	X

Part VI: B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5 a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5 b N/A

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A Yes No

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

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

6 b X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If 'Yes' to 6b, file Form 8870

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

N/A

7 b

Part VII: 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
Robert P. George Dept of Politics, 244 Corwin H Princeton, NJ 08544	Trustee 0	0.	0.	0.
Christopher C. DeMuth Hudson Inst., 1015 15th St., NW Washington, DC 20036	Trustee 0	0.	0.	0.
James R. Stoner, Jr. 240 Stubbs, Louisiana St. Univ Baton Rouge, LA 70803	Trustee 0	0.	0.	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

0

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		

Part IXA 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.

Organizations and other beneficiaries served, conferences convened, research papers produced, etc.	
1	N/A
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

1	<u>N/A</u>	AMOUNT
2	<hr/> <hr/>	

All other program-related investments. See instructions

3 _____

Total. Add lines 1 through 3 ► **0.**

Total. Add lines 1 through 3

BAA

Form 990-PF (2012)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes.		
a	Average monthly fair market value of securities	1a	3,750,255.
b	Average of monthly cash balances	1b	172,836.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	3,923,091.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,923,091.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	58,846.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,864,245.
6	Minimum investment return. Enter 5% of line 5	6	193,212.

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	193,212.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	1,528.
b	Income tax for 2012 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,528.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	191,684.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	191,684.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	191,684.

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	260,686.
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	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	260,686.
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	260,686.

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				191,684.
2 Undistributed income, if any, as of the end of 2012.			0.	
a Enter amount for 2011 only			0.	
b Total for prior years: 20 20 20		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e		0.		
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 260,686.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)		0.		
d Applied to 2012 distributable amount				191,684.
e Remaining amount distributed out of corpus		69,002.		
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))		0.		0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5		69,002.		
b Prior years' undistributed income Subtract line 4b from line 2b			0.	
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.	
d Subtract line 6c from line 6b. Taxable amount – see instructions			0.	
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount – see instructions				0.
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		0.		
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)		0.		
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a		69,002.		
10 Analysis of line 9.				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012		69,002.		

Part XIV: Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1 a	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.				►	
1 b	Check box to indicate whether the foundation is a private operating foundation described in section				<input type="checkbox"/>	4942(j)(3) or
2 a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				<input type="checkbox"/>	4942(j)(5)
2 b	85% of line 2a					
2 c	Qualifying distributions from Part XII, line 4 for each year listed					
2 d	Amounts included in line 2c not used directly for active conduct of exempt activities					
2 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					
3 a	'Assets' alternative test — enter					
3 a (1)	Value of all assets					
3 a (2)	Value of assets qualifying under section 4942(j)(3)(B)(i)					
3 b	'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
3 c	'Support' alternative test — enter					
3 c (1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
3 c (2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
3 c (3)	Largest amount of support from an exempt organization					
3 c (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

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

c Any submission deadlines:

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

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				
Witherspoon Institute 16 Stockton Street Princeton, NJ 08540	N/A	Public	James Madison Program activities such as, but not limited to, seminars and lectures	100,000.
Princeton University 83 Prospect Avenue Princeton, NJ 08540	N/A	Public	Exclusive use of the James Madison Program in American Ideals and Institutions	160,000.
Total			► 3a	260,000.
b Approved for future payment				
<i>n/a</i>				
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) Exclu- sion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	36,179.	
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	60,649.	
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)				96,828.	
13 Total. Add line 12, columns (b), (d), and (e)			13		96,828.
(See worksheet in line 13 instructions to verify calculations.)					

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

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

Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

Schedule of Contributors

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

2012

Name of the organization	Herbert W. Vaughan Charitable Foundation c/o The Philadelphia Trust Company	Employer identification number
		45-6911090

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

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

Form 990-PF

501(c)(3) exempt private foundation

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

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

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

General Rule

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

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year

..... ► \$ _____

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

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

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

Name of organization

Herbert W. Vaughan Charitable Foundation

Employer identification number

45-6911090

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

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Estate of Herbert W. Vaughan	\$ 3,729,684	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash
	C/O WilmerHale, 60 State St.		(Complete Part II if there is a noncash contribution.)
	Boston, MA 02109		
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
			<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
			<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
			<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
			<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)
(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
			<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash
			(Complete Part II if there is a noncash contribution.)

Name of organization

Herbert W. Vaughan Charitable Foundation

Employer identification number

45-6911090

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

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Marketable securities	\$ 3,550,974.	3/06/13
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Name of organization

Herbert W. Vaughan Charitable Foundation

Employer identification number

45-6911090

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8) or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

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

Use duplicate copies of Part III if additional space is needed.

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

2012

Federal Statements

Page 1

Herbert W. Vaughan Charitable Foundation
c/o The Philadelphia Trust Company

45-6911090

Statement 1
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment Advisory Fees	\$ 1,373.	\$ 687.	\$ 0.	\$ 686.
Total	<u>\$ 1,373.</u>	<u>\$ 687.</u>	<u>\$ 0.</u>	<u>\$ 686.</u>

Statement 2
Form 990-PF, Part III, Line 5
Other Decreases

Rounding on Sale of Assets	\$ 3.
Total	<u>\$ 3.</u>

Statement 3
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	600 Berkshire Hathaway Inc - CL B	Donated	12/04/2007	5/10/2013
2	30000 Burlington MA 2.00% due 7/15/13	Donated	8/08/2011	7/15/2013
3	277 Colgate-Palmolive	Donated	11/21/2011	5/10/2013
4	2000 Edwards Lifesciences Corp	Purchased	4/24/2013	4/25/2013
5	100000 Hingham MA 4.00% due 4/15/19	Donated	2/04/2010	4/15/2013
6	100000 Hingham MA 4.00% due 4/15/19	Donated	11/21/2011	4/15/2013
7	139 Johnson & Johnson	Donated	11/21/2011	5/10/2013
8	150 Kimberly-Clark Corp	Donated	11/21/2011	5/10/2013
9	500 Kraft Foods Group Inc.	Purchased	3/25/2013	6/04/2013
10	500 Kraft Foods Group Inc.	Purchased	4/16/2013	6/04/2013
11	50000 Massachusetts State 4% due 6/1/28	Donated	1/07/2013	3/21/2013
12	55000 Massachusetts State 4% due 6/1/28	Donated	7/17/2012	3/21/2013
13	100000 Massachusetts State 4.45% due 12/1/24	Donated	11/21/2011	3/21/2013
14	125000 Massachusetts State 5.00% due 4/1/22	Donated	11/21/2011	3/21/2013
15	249 McGraw Hill Co.	Donated	11/21/2011	4/01/2013
16	150000 Middleborough MA 4.00% due 5/1/19	Donated	11/21/2011	4/15/2013
17	50000 Milton MA 4.125% due 1/15/22	Donated	1/07/2013	3/21/2013
18	500 Procter & Gamble Co.	Donated	11/21/2011	5/10/2013
19	500 Rockwell Automation, Inc.	Purchased	4/16/2013	6/24/2013
20	100000 Salem MA 4.0% due 9/1/26	Donated	9/26/2012	3/21/2013
21	10.84 Templeton Global Bond Fund-AD	Purchased	5/15/2013	6/20/2013
22	10.876 Templeton Global Bond Fund-AD	Purchased	4/15/2013	6/20/2013
23	10.939 Templeton Global Bond Fund-AD	Purchased	3/15/2013	6/20/2013
24	11.338 Templeton Global Bond Fund-AD	Purchased	6/17/2013	6/20/2013
25	1628.582 Templeton Global Bond Fund-AD	Donated	11/21/2011	6/20/2013
26	1798.561 Templeton Global Bond Fund-AD	Donated	5/04/2011	6/20/2013
27	1000 Western Union Co.	Purchased	4/01/2013	5/14/2013
28	1500 Western Union Co.	Purchased	4/16/2013	5/14/2013
29	30000 Westwood MA Pre due 6/1/20	Donated	5/14/2009	4/01/2013

Statement 3 (continued)
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
1	66,731.		57,530.	9,201.				\$ 9,201.
2	30,000.		30,000.	0.				0.
3	33,411.		24,268.	9,143.				9,143.
4	131,796.		128,814.	2,982.				2,982.
5	116,250.		106,720.	9,530.				9,530.
6	116,250.		113,990.	2,260.				2,260.
7	11,875.		8,772.	3,103.				3,103.
8	15,444.		10,399.	5,045.				5,045.
9	27,580.		25,902.	1,678.				1,678.
10	27,580.		25,605.	1,975.				1,975.
11	54,284.		54,821.	-537.				-537.
12	59,712.		59,413.	299.				299.
13	104,620.		100,725.	3,895.				3,895.
14	146,335.		141,764.	4,571.				4,571.
15	12,796.		10,716.	2,080.				2,080.
16	173,235.		170,412.	2,823.				2,823.
17	53,602.		55,633.	-2,031.				-2,031.
18	39,154.		31,105.	8,049.				8,049.
19	40,548.		42,076.	-1,528.				-1,528.
20	108,412.		111,015.	-2,603.				-2,603.
21	138.		148.	-10.				-10.
22	139.		147.	-8.				-8.
23	140.		147.	-7.				-7.
24	145.		148.	-3.				-3.
25	20,781.		20,498.	283.				283.
26	22,950.		25,000.	-2,050.				-2,050.
27	16,159.		14,849.	1,310.				1,310.
28	24,238.		22,530.	1,708.				1,708.
29	30,006.		30,515.	-509.				-509.
							Total	\$ 60,649.

Asset Detail**Statement of Value and Activity**

June 1, 2013 - June 30, 2013

Asset Detail

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized GL	Est. Ann. Income	Current Yield
Cash and Equivalents						
SEI Daily Income Treasury II Ptf A CUSIP: 7839965619	132,819.50	\$132,819.50	\$132,819.50	\$0.00	\$13.41	0.01%
SEI Daily Income Treasury II Ptf A CUSIP: 7839965619	36,178.60	\$36,178.60	\$36,178.60	\$0.00	\$3.65	0.01%()
Total Cash and Equivalents		\$168,998.10	\$168,998.10	\$0.00	\$17.06	
Fixed Income						
<i>Municipal Bonds</i>						
Burlington Massachusetts General Obligation DTTD 07/15/2009 2.0000% 07/15/2013	30,000.00	\$30,023.70	\$30,217.13	-\$193.43	\$600.00	2.00%
<i>Non Callable</i>						
Massachusetts State General Obligation DTTD 08/16/2007 4.0000% 08/01/2013	25,000.00	\$25,087.00	\$26,490.75	-\$1,403.75	\$1,000.00	3.99%
<i>Agmt</i>						
CUSIP: 57582PFB1 Massachusetts State Water Revenue DTTD 12/14/2006 4.0000% 08/01/2013	125,000.00	\$125,436.25	\$131,008.74	-\$5,572.49	\$5,000.00	3.99%

0007307 - 1600002

Asset Detail (continued)**Statement of Value and Activity**

June 1, 2013 - June 30, 2013

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized G/L	Est. Ann. Income	Current Yield
Massachusetts State Education Revenue DTD 08/17/2005 5.0000% 08/15/2013 Non Callable Agm	100,000.00	\$100,626.00	\$107,688.00	-\$7,062.00	\$5,000.00	4.97%
CUSIP: 5760000AR4 Winchester Massachusetts General Obligation DTD 08/15/2009 2.0000% 08/15/2013 Non Callable	50,000.00	\$50,110.50	\$51,381.00	-\$1,270.50	\$1,000.00	2.00%
CUSIP: 973024XB3 Marshfield Massachusetts General Obligation DTD 05/01/2005 3.5000% 05/01/2014 Non Callable	30,000.00	\$30,789.90	\$30,737.86	\$52.04	\$1,050.00	3.41%
CUSIP: 572835VP8 University Massachusetts Bldg Auth Higher Education DTD 10/27/2009 4.0000% 05/01/2014 Non Callable	50,000.00	\$51,569.50	\$52,233.26	-\$663.76	\$2,000.00	3.88%
CUSIP: 914440JK9 Chatham Massachusetts General Obligation DTD 05/14/2009 4.0000% 07/01/2014 Non Callable	100,000.00	\$103,686.00	\$106,209.00	-\$2,523.00	\$4,000.00	3.86%

0007308 1600002

Asset Detail (continued)**Statement of Value and Activity**

June 1, 2013 - June 30, 2013

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized GL	Est. Ann. Income	Current Yield
Massachusetts Bay Massachusetts Transportation Revenue DTD 12/05/2006 5.000% 07/01/2014 Non Callable CUSIP: 575579MB0	130,000.00	\$136,295.90	\$138,792.90	-\$2,497.00	\$6,500.00	4.77%
Massachusetts State Education Revenue DTD 08/17/2005 5.000% 08/15/2014 Non Callable Agm CUSIP: 576000ATO	25,000.00	\$26,342.75	\$25,571.58	\$771.17	\$1,250.00	4.74%
Massachusetts State Higher Education DTD 11/13/2008 5.000% 08/15/2014 Non Callable CUSIP: 57586EAV3	125,000.00	\$138,596.25	\$138,463.75	-\$6,867.50	\$6,250.00	4.75%
Boston Massachusetts Wtr & Swr Commn Water Revenue DTD 03/26/2009 5.000% 11/01/2014 Non Callable CUSIP: 101029PV2	50,000.00	\$53,176.50	\$54,224.21	-\$1,047.71	\$2,500.00	4.70%
Massachusetts State General Obligation DTD 03/24/2004 5.250% 08/01/2015 Non Callable Natl Re-lbc CUSIP: 57582NM28	50,000.00	\$54,874.50	\$56,521.50	-\$1,647.00	\$2,625.00	4.78%

0007308-1600002

Asset Detail (continued)

Statement of Value and Activity

June 1, 2013 - June 30, 2013

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized G/L	Est. Ann. Income	Current Yield
Massachusetts State Dev FIN AGY Revenue Bond DTD 05/29/2008 4.000% 01/01/2016 Non Callable Assured Gry CUSIP: 57583RWS0	30,000.00	\$32,193.00	\$30,830.65	\$1,362.35	\$1,200.00	3.73%
Massachusetts State Dev FIN AGY Education Revenue DTD 05/21/2009 4.000% 07/01/2016 Non Callable CUSIP: 57583RF75	25,000.00	\$27,264.00	\$26,051.89	\$1,212.11	\$1,000.00	3.67%
Belmont Massachusetts General Obligation DTD 06/15/2004 4.250% 06/15/2017 Pre-refunded 6/15/14 @ 100 CUSIP 080401GK2	25,000.00	\$25,957.50	\$26,283.83	-\$326.33	\$1,062.50	4.09%
Groton Massachusetts General Obligation DTD 11/15/2003 3.900% 11/15/2017 Callable AMBAC CUSIP 399316KZ0	135,000.00	\$137,570.40	\$140,531.01	-\$2,960.61	\$5,265.00	3.83%
Agawam Massachusetts General Obligation DTD 10/01/2006 4.000% 04/01/2018 Callable Nati-Re CUSIP: 008428PL2	75,000.00	\$76,261.50	\$78,447.27	-\$2,185.77	\$3,000.00	3.93%

0007309 - 1600002

Asset Detail (continued)**Statement of Value and Activity**

June 1, 2013 - June 30, 2013

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized GL	Est. Ann. Income	Current Yield
Municipal Bond Funds						
Nuveen High Yield Municipal Bond Fund CUSIP: 67065Q772	11,886.58	\$190,899.44	\$173,728.88	\$17,169.56	\$12,231.29	6.41%
	\$190,898.44	\$173,728.88	\$17,169.56	\$12,231.29		
Taxable Corporate Bonds						
Berkshire Hathaway FIN DTD 04/15/2004 4.625% 10/15/2013 Non Callable CUSIP: 084664AD3	50,000.00	\$50,591.00	\$53,544.60	-\$2,953.60	\$2,312.50	4.57%
Citigroup Funding Inc Medium Term Note DTD 09/23/2010 Var Cpn 09/23/2017 Callable CUSIP: 1730T0KH1	45,000.00	\$45,119.25	\$41,907.74	\$3,211.51	\$820.35	1.82%
	\$95,710.25	\$95,452.34	\$257.91	\$3,132.85		
Bond Funds						
Blackrock Strategic Income Opportunities Fund CUSIP: 09256H286	3,444.88	\$34,414.37	\$35,000.00	-\$585.63	\$1,140.26	3.31%
	\$34,414.37	\$35,000.00	-\$585.63	\$1,140.26		
Total Fixed Income		\$1,539,884.21	\$1,555,865.55	-\$15,981.34	\$66,806.90	

0007309 - 1600002

Asset Detail (continued)**Statement of Value and Activity**

June 1, 2013 - June 30, 2013

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized G/L	Est. Ann. Income	Current Yield
Equities						
Consumer Discretionary						
Vodafone Group	1,000 00	\$28,745.00	\$28,894.69	-\$149.69	\$1,537.00	5.35%
American Depository Receipt						
CUSIP: 92857W209						
Consumer Staples						
Colgate-Palmolive	1,500 00	\$85,935.00	\$65,707.50	\$20,227.50	\$2,040.00	2.37%
CUSIP: 194162103						
Dr Pepper Snapple Group Inc	2,000.00	\$91,860.00	\$96,308.20	-\$4,448.20	\$3,040.00	3.31%
CUSIP: 26138E109						
Kimberly-Clark Corp.	1,250.00	\$121,425.00	\$86,656.25	\$34,768.75	\$4,050.00	3.33%
CUSIP: 494368103						
Pepsico Inc	1,500.00	\$122,685.00	\$95,092.50	\$27,592.50	\$3,405.00	2.77%
CUSIP: 713448108						
Procter & Gamble Company	1,500.00	\$115,485.00	\$93,315.00	\$22,170.00	\$3,609.00	3.13%
CUSIP 742718109						
Energy						
Chevron Corporation	1,200 00	\$142,008.00	\$114,834.00	\$27,174.00	\$4,800.00	3.38%
CUSIP: 166764100						
Devon Energy Corporation New	1,000 00	\$51,880.00	\$57,332.60	-\$5,452.60	\$880.00	1.70%
Com						
CUSIP 25179M103						

0007310 - 1600002



Asset Detail (continued)

Statement of Value and Activity

Volume 1 2013 - June 30 2013

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized G/L	Est. Ann. Income	Current Yield
Occidental Pete Corp Com CUSIP: 674599105	500.00	\$44,615.00	\$41,111.11	\$3,503.89	\$1,280.00	2.87%
		\$238,503.00	\$213,277.71	\$25,225.29	\$6,960.00	
Financials						
Berkshire Hathaway Inc-C1B CUSIP: 084670702	1,500.00	\$167,880.00	\$143,825.41	\$24,054.59	\$0.00	0.00%
		\$167,880.00	\$143,825.41	\$24,054.59	\$0.00	
Health Care						
Abbott Labs Inc CUSIP: 002824100	1,500.00	\$52,320.00	\$53,730.53	-\$1,410.53	\$840.00	1.61%
Glaxo Smithkline Sponsored American Depository Receipt CUSIP: 37733W105	700.00	\$34,979.00	\$29,867.04	\$5,111.96	\$1,642.90	4.70%
Johnson & Johnson CUSIP: 478160104	1,000.00	\$85,860.00	\$63,110.00	\$22,750.00	\$2,640.00	3.07%
Pfizer Inc CUSIP: 717081103	1,576.00	\$44,143.76	\$30,188.28	\$13,955.48	\$1,512.96	3.43%
		\$217,302.76	\$176,895.85	\$40,406.91	\$6,635.86	
Industrials						
Avery Dennison Corp CUSIP: 053611109	2,160.00	\$92,361.60	\$54,637.20	\$37,724.40	\$2,505.60	2.71%
Raytheon Company CUSIP: 755111507	1,000.00	\$66,120.00	\$57,229.45	\$8,890.55	\$2,200.00	3.33%
Regal Beloit Corp CUSIP: 758750103	1,000.00	\$64,840.00	\$67,061.16	-\$2,221.16	\$800.00	1.23%

0007310 - 1600002

Asset Detail (continued)**Statement of Value and Activity**

June 1, 2013 - June 30, 2013

Description	Shares/Par Value	Market Value	Tax Cost	Unrealized GL	Est. Ann. Income	Current Yield
Waste Management Inc CUSIP: 94106L109	1,000.00	\$40,330.00	\$39,039.20	\$1,290.80	\$1,460.00	3.62%
		\$263,651.60	\$217,967.01	\$45,684.59	\$6,965.60	
Information Technology						
Automatic Data Processing Inc CUSIP: 053015103	1,630.00	\$112,241.80	\$80,183.78	\$32,058.02	\$2,836.20	2.53%
		\$112,241.80	\$80,183.78	\$32,058.02	\$2,836.20	
Materials						
Du Pont E I De Nemours & Co CUSIP 263534109	1,000.00	\$52,500.00	\$51,622.40	\$877.60	\$1,800.00	3.43%
RPM International Inc CUSIP: 749685103	1,500.00	\$47,910.00	\$46,763.41	\$1,146.59	\$1,350.00	2.82%
		\$100,410.00	\$98,385.81	\$2,024.19	\$3,150.00	
Telecommunications						
AT & T Inc CUSIP: 00206R102	1,500.00	\$53,100.00	\$55,539.86	-\$2,439.86	\$2,700.00	5.08%
Verizon Communications CUSIP: 92343V104	1,000.00	\$50,340.00	\$48,909.70	\$1,430.30	\$2,060.00	4.09%
		\$103,440.00	\$104,449.56	-\$1,009.56	\$4,760.00	
Utilities						
Dominion RES Inc VA CUSIP: 25746U109	1,000.00	\$56,820.00	\$59,094.00	-\$2,274.00	\$2,250.00	3.96%
Kinder Morgan Inc CUSIP: 49456B101	2,500.00	\$95,375.00	\$92,867.00	\$2,508.00	\$3,800.00	3.98%

0007311 - 1600002



Asset Detail (continued)

Statement of Value and Activity

June 1, 2013 - June 30, 2013

Note: (i) indicates a transaction in the income portfolio.