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

2012

Department of the Treasury
Internal Revenue Service

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

For calendar year 2012, or tax year beginning Jul 1, 2012, and ending Jun 30, 2013

Name of foundation CHISBETTS FOUNDATION		A Employer identification number 61-1437291
Number and street (or P O box number if mail is not delivered to street address) 505 E HURON STREET		B Telephone number (see the instructions) (734) 994-5000
City or town ANN ARBOR		C If exemption application is pending, check here <input type="checkbox"/>
State ZIP code MI 48108		
G Check all that apply		D 1 Foreign organizations, check here <input type="checkbox"/>
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial Return of a former public charity	D 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
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, column (c), line 16) \$ 717,579.		
J Accounting method <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) CASH EXCEPT TAXES		
(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)
REVENUE	1 Contributions, gifts, grants, etc, received (att sch)				
	2 Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	22,935.	22,935.		
	5 a Gross rents				
	b Net rental income or (loss)				
	6 a Net gain/(loss) from sale of assets not on line 10	-1,236.	-1,236.		
	b Gross sales price for all assets on line 6a 153,522.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain			0.	
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	21,699.	22,935.	0.		
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach sch)	1,600.	1,000.		600.
	c Other prof fees (attach sch)				
	17 Interest				
	18 Taxes (attach schedule)(see instrs) See Line 18 Stmt	228.			
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
23 Other expenses (attach schedule) See Line 23 Stmt	150.	150.			
24 Total operating and administrative expenses. Add lines 13 through 23	1,978.	1,150.		600.	
25 Contributions, gifts, grants paid	38,000.			38,000.	
26 Total expenses and disbursements. Add lines 24 and 25	39,978.	1,150.		38,600.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-18,279.				
b Net investment income (if negative, enter -0-)		21,785.			
c Adjusted net income (if negative, enter -0-)			0.		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
A S S E T S	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments				
	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)				
		b Investments – corporate stock (attach schedule) L-10b Stmt	678,891.	660,613.	717,579.	
		c Investments – corporate bonds (attach schedule)				
	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)	678,891.	660,613.	717,579.		
L I A B I L I T I E S	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)				
F U N D A S S E T A N C E S	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>					
	24	Unrestricted	678,891.	660,613.		
	25	Temporarily restricted				
	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, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see instructions)	678,891.	660,613.			
31	Total liabilities and net assets/fund balances (see instructions)	678,891.	660,613.			

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	678,891.
2	Enter amount from Part I, line 27a	2	-18,279.
3	Other increases not included in line 2 (itemize) ▶ ROUNDING	3	1.
4	Add lines 1, 2, and 3	4	660,613.
5	Decreases not included in line 2 (itemize) ▶ FEDERAL TAXES	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	660,613.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE STMT LINE 6a STMT	P	Various	Various
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 153,522.		154,758.	-1,236.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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			-1,236.
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	-1,236.
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	-1,236.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

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

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries			
(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2011	35,145.	724,621.	0.048501
2010	23,725.	749,338.	0.031661
2009	38,463.	467,748.	0.082230
2008	35,983.	507,812.	0.070859
2007	33,800.	715,370.	0.047248
2 Total of line 1, column (d)			2 0.280499
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.056100
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 711,481.
5 Multiply line 4 by line 3			5 39,914.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 218.
7 Add lines 5 and 6			7 40,132.
8 Enter qualifying distributions from Part XII, line 4			8 38,600.

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 instrs)			
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	436.
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	436.
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	436.
6 Credits/Payments			
a 2012 estimated tax pmts and 2011 overpayment credited to 2012	6 a	882.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments Add lines 6a through 6d	7	882.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	446.	
11 Enter the amount of line 10 to be Credited to 2013 estimated tax	11	446.	Refunded

Part VII-A Statements Regarding Activities

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

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions) . .	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>JOSEPH P GALASSO JR</u> Telephone no <u>(248) 435-8989</u> Located at <u>30701 BARRINGTON ST #175 MADISON HEIGHTS MI</u> ZIP + 4 <u>48071</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? See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If 'Yes,' enter the name of the foreign country <u></u>	16		X

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

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

		Yes	No
1 a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <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 <input type="checkbox"/>	1 b	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?	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20</u> , <u>20</u> , <u>20</u> , <u>20</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)	2 b	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>		
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <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	X
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 VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

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

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

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

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?

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d) Yes No

6 a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

Yes No

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

If 'Yes' to 6b, file Form 8870

7 a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

Yes No

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

5 b		X
6 b		X
7 b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
<u>DONALD & BETTY CHISHOLM</u>	DIRECTORS			
<u>ANN ARBOR MI 48107</u>	8.00	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

None

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes		
a	Average monthly fair market value of securities	1 a	500,524.
b	Average of monthly cash balances	1 b	221,792.
c	Fair market value of all other assets (see instructions)	1 c	
d	Total (add lines 1a, b, and c)	1 d	722,316.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	722,316.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	10,835.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	711,481.
6	Minimum investment return. Enter 5% of line 5	6	35,574.

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	35,574.
2a	Tax on investment income for 2012 from Part VI, line 5	2 a	436.
b	Income tax for 2012 (This does not include the tax from Part VI)	2 b	
c	Add lines 2a and 2b	2 c	436.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	35,138.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	35,138.
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	35,138.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes.		
a	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1 a	38,600.
b	Program-related investments – total from Part IX-B	1 b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	38,600.
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	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	38,600.

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				35,138.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years: 20 __, 20 __, 20 __				
3 Excess distributions carryover, if any, to 2012				
a From 2007	0.			
b From 2008	5,163.			
c From 2009	15,452.			
d From 2010	0.			
e From 2011	0.			
f Total of lines 3a through e	20,615.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 38,600.				
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				35,138.
e Remaining amount distributed out of corpus	3,462.			
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	24,077.			
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				
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)				
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	24,077.			
10 Analysis of line 9:				
a Excess from 2008	5,163.			
b Excess from 2009	15,452.			
c Excess from 2010	0.			
d Excess from 2011	0.			
e Excess from 2012	3,462.			

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 ▶

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

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

1 Information Regarding Foundation Managers:

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

DONALD & BETTY CHISHOLM

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.

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
<i>a Paid during the year</i>				
U OF M MUSIC SCHOOL ANN ARBOR ANN ARBOR MI 48109			UNRESTRICTED	17,500.
RUDOLF STEINER SCHOOL ANN ARBOR ANN ARBOR MI 48105			UNRESTRICTED	0.
NEW CENTURY CHORALE PO BOX 766 GRAND BLANC MI 48480			UNRESTRICTED	0.
OMENA HISTORICAL SOCIETY P.O. BOX 75 OMENA MI 49674			UNRESTRICTED	0.
WASHTENAW COMMUNITY COLLEGE FDN 4800 E HURON RIVER DR ANN ARBOR MI 48105			UNRESTRICTED	15,000.
UNIVERSITY OF MICHIGAN OPHTHAMOLOGY RESEARCH ANN ARBOR MI 48109			UNRESTRICTED	0.
ANN ARBOR SUMMER FESTIVAL 310 DEPOT ST, STE 3 ANN ARBOR MI 48104			UNRESTRICTED	500.
KELLOGG EYE CENTER 1000 WALL STREET ANN ARBOR MI 48105			UNRESTRICTED	5,000.
Total			▶ 3a	38,000.
<i>b Approved for future payment</i>				
Total			▶ 3b	

Name **CHISBETTS FOUNDATION** Employer Identification Number **61-1437291**

Asset Information:

Description of Property **1000 shs EQUITY RESIDENTIAL PROPERTY**
 Date Acquired: **12/14/11** How Acquired **Purchased**
 Date Sold: **08/20/12** Name of Buyer _____
 Sales Price **25,000.** Cost or other basis (do not reduce by depreciation) **25,586.**
 Sales Expense **30.** Valuation Method: _____
 Total Gain (Loss) **-616.** Accumulation Depreciation _____

Description of Property **17 shs OCEAN RIDGE UDW INC**
 Date Acquired **11/07/11** How Acquired **Purchased**
 Date Sold **09/27/12** Name of Buyer _____
 Sales Price **257.** Cost or other basis (do not reduce by depreciation) **257.**
 Sales Expense _____ Valuation Method: _____
 Total Gain (Loss) **0.** Accumulation Depreciation _____

Description of Property **300 SHS ANIXTER INTL INC**
 Date Acquired **10/11/00** How Acquired **Donated**
 Date Sold **06/10/13** Name of Buyer _____
 Sales Price **23,056.** Cost or other basis (do not reduce by depreciation) **21,044.**
 Sales Expense: _____ Valuation Method: _____
 Total Gain (Loss) **2,012.** Accumulation Depreciation _____

Description of Property **3000 SHS CAPITAL TR INC MD CL A**
 Date Acquired **07/26/07** How Acquired **Purchased**
 Date Sold **05/07/13** Name of Buyer _____
 Sales Price **105,209.** Cost or other basis (do not reduce by depreciation) **107,841.**
 Sales Expense _____ Valuation Method _____
 Total Gain (Loss) **-2,632.** Accumulation Depreciation: _____

Description of Property _____
 Date Acquired _____ How Acquired _____
 Date Sold _____ Name of Buyer _____
 Sales Price _____ Cost or other basis (do not reduce by depreciation) _____
 Sales Expense _____ Valuation Method _____
 Total Gain (Loss): _____ Accumulation Depreciation: _____

Description of Property _____
 Date Acquired _____ How Acquired: _____
 Date Sold _____ Name of Buyer _____
 Sales Price _____ Cost or other basis (do not reduce by depreciation) _____
 Sales Expense _____ Valuation Method: _____
 Total Gain (Loss) _____ Accumulation Depreciation: _____

Description of Property _____
 Date Acquired _____ How Acquired _____
 Date Sold _____ Name of Buyer: _____
 Sales Price _____ Cost or other basis (do not reduce by depreciation) _____
 Sales Expense _____ Valuation Method _____
 Total Gain (Loss) _____ Accumulation Depreciation: _____

Description of Property _____
 Date Acquired _____ How Acquired _____
 Date Sold _____ Name of Buyer _____
 Sales Price _____ Cost or other basis (do not reduce by depreciation) _____
 Sales Expense _____ Valuation Method _____
 Total Gain (Loss): _____ Accumulation Depreciation: _____

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
FOREIGN TAX	208.			
MISC	20.			
Total	<u>228.</u>			

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
MISC				
BANK FEES	150.	150.		
Total	<u>150.</u>	<u>150.</u>		

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
1000 SHS ANIXTER INTERNATIONAL	49,102.	53,067.
2000 CAPITAL TR INC MD	0.	0.
4172 SHS EQUITY RES REIT	108,272.	242,226.
1000 CAPITAL TR INC MD REIT	0.	0.
4000 SHS EQUITY LIFESTYLE PROPERTIES	101,000.	103,160.
MERRILL LYNCH MM	236,097.	236,097.
2000 SHS BROOKFIELD INFRASTRUCTURE PA	58,303.	73,040.
33 SHS OCEANFREIGHT INC SHS A	0.	0.
1000 EQUITY RESIDENTIAL PROPS	0.	0.
300 SHS BLACKSTONE MTG TRUST	105,208.	7,410.
100 SHS EQUITY LIFESTYLE PROP	2,631.	2,579.
Total	<u>660,613.</u>	<u>717,579.</u>

Chisbetts Endowment

Account Number: 622-04328

24-Hour Assistance: (800) MERRILL

YOUR EMA BANK DEPOSIT INTEREST SUMMARY

June 01, 2013 - June 28, 2013

Money Account Description	Opening Balance	Average Deposit Balance	Current Yield%	Interest on Deposits	Closing Balance
FIA Card Services, N.A.	221,315	226,772	.03	5.21	231,746
Bank of America CA, N.A.	54	54	.03	0.00	54
TOTAL ML Bank Deposit Program	221,369			5.21	231,800

YOUR EMA ASSETS

CASH/MONEY ACCOUNTS Description	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Estimated Annual Income	Est. Annual Yield%
CASH	652.69	652.69		652.69		
ML BANK DEPOSIT PROGRAM	231,800.00	231,800.00	1.0000	231,800.00	70	.03
BIF MONEY FUND	3,644.00	3,644.00	1.0000	3,644.00		
TOTAL		236,096.69		236,096.69	70	03

PREFERRED STOCKS

Description	Acquired	Quantity	Adjusted/Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Annual Interest	Estimated Current Annual Income	Estimated Current Yield%
EQUITY LIFESTYLE PROPERT	03/02/11	4,000	101,000.00	25.7900	103,160.00	2,160.00		6,749	6.54
NEW MONEY SER C 06 750% PERPETUAL									
MOODY'S: *** S&P: *** CUSIP: 29472R405									
EQUITY LIFESTYLE PROPERT	06/25/13	100	2,631.00	25.7900	2,579.00	(52.00)		169	6.54
Subtotal		4,100	103,631.00		105,739.00	2,108.00		6,918	6.54
TOTAL		4,100	103,631.00		105,739.00	2,108.00		6,918	6.54

PLEASE REFER TO NOTES BELOW FOR INFORMATION REGARDING CREDIT RATINGS.





Chisbetts Endowment

Account Number: 622-04328

YOUR EMA ASSETS

June 01, 2013 - June 28, 2013

Equities Description	Symbol	Acquired	Quantity	Unit Cost Basis	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Annual Income	Current Yield%
ANIXTER INTL INC	AXE	10/11/00	700	22.8750	16,012.50	75.8100	53,067.00	-	37,054.50	
BLACKSTONE MORTGAGE TRUS INC	BXMT	05/16/07	100	427.4917	42,749.17	24.7000	2,470.00	(40,279.17)		
		07/26/07	60	311.9016	18,714.10	24.7000	1,482.00	(17,232.10)		
		07/26/07	50	312.0018	15,600.09	24.7000	1,235.00	(14,365.09)		
		07/26/07	50	312.5018	15,625.09	24.7000	1,235.00	(14,390.09)		
		07/26/07	40	313.0017	12,520.07	24.7000	988.00	(11,532.07)		
Subtotal			300		105,208.52		7,410.00	(97,798.52)		
BROOKFIELD INFRASTRUCR PA	BIP	01/17/12	600	29.1445	17,486.70	36.5200	21,912.00	4,425.30	1,032	4.70
		01/17/12	1,400	29.1545	40,816.30	36.5200	51,128.00	10,311.70	2,408	4.70
Subtotal			2,000		58,303.00		73,040.00	14,737.00	3,440	4.70
EQUITY RESIDENTIAL REIT	EQR	08/18/93	206	12.9344	2,664.49	58.0600	11,960.36	9,295.87	330	2.75
		08/18/93	416	12.9343	5,380.70	58.0600	24,152.96	18,772.26	666	2.75
		08/18/93	410	12.9343	5,303.10	58.0600	23,804.60	18,501.50	657	2.75
		08/18/93	409	12.9343	5,290.16	58.0600	23,746.54	18,456.38	655	2.75
		08/18/93	408	12.9343	5,277.23	58.0600	23,688.48	18,411.25	653	2.75
		08/18/93	323	12.9343	4,177.81	58.0600	18,753.38	14,575.57	517	2.75
		04/21/04	2,000	27.6880	55,376.00	58.0600	116,120.00	60,744.00	3,201	2.75
Subtotal			4,172		83,469.49		242,226.32	158,756.83	6,679	2.75
TOTAL					262,993.51		375,743.32	112,749.81	10,119	2.69

RESEARCH RATINGS

Security	Symbol	BofAML Research	Morningstar	S&P
EQUITY RESIDENTIAL	EQR	Neutral (B27)	Hold	Hold

PLEASE REFER TO THE BACK OF YOUR STATEMENT FOR A GUIDE TO BOFAML AND THIRD PARTY RESEARCH RATINGS.



Chisbetts Endowment

Account Number: 622-04328

24-Hour Assistance: (800) MERRILL

YOUR EMA ASSETS

June 01, 2013 - June 28, 2013

LONG PORTFOLIO	Adjusted/Total Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Accrued Interest	Estimated Annual Income	Current Yield%
TOTAL	602,721.20	717,579.01	114,857.81		17,106	2.38