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

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

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning August 1, 2012, and ending July 31, 2013

Name of foundation The Highstead Fund, Inc.		A Employer identification number 20-5823379
Number and street (or P O box number if mail is not delivered to street address) c/o Dudley & Shanley, LLC, 130 Maple Ave.	Room/suite 6	B Telephone number (see instructions) 732-936-1030
City or town, state, and ZIP code Red Bank, NJ 07701-1729		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 16,870,670.87	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	3,110,501.00			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	18.64	18.64		
	4 Dividends and interest from securities	498,304.17	498,304.17		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	2,863,676.46			
	b Gross sales price for all assets on line 6a	4,826,357.54			
	7 Capital gain net income (from Part IV, line 2)		2,863,676.46		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	6,472,500.27	3,361,999.27			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	298.50			
	b Accounting fees (attach schedule)	7,250.00	7,250.00		
	c Other professional fees (attach schedule)	69,218.00	69,218.00		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	16,970.53	5,082.26		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	16,970.27	16,970.27		
	24 Total operating and administrative expenses. Add lines 13 through 23	110,707.30	98,520.53		
	25 Contributions, gifts, grants paid	587,500.00			587,500.00
26 Total expenses and disbursements. Add lines 24 and 25	698,207.30	98,520.53		587,500.00	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	5,774,292.97				
b Net investment income (if negative, enter -0-)		3,263,478.74			
c Adjusted net income (if negative, enter -0-)					

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing				
	2 Savings and temporary cash investments		179,205.76	654,072.67	654,072.67
	3 Accounts receivable ▶				
	Less: allowance for doubtful accounts ▶				
	4 Pledges receivable ▶				
	Less: allowance for doubtful accounts ▶				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7 Other notes and loans receivable (attach schedule) ▶				
	Less: allowance for doubtful accounts ▶				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments—U.S. and state government obligations (attach schedule)				
	b Investments—corporate stock (attach schedule)		11,620,490.30	16,216,598.20	16,216,598.20
	c Investments—corporate bonds (attach schedule)				
	11 Investments—land, buildings, and equipment: basis ▶				
Liabilities	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)		11,799,696.06	16,870,770.87	16,870,770.87
	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
Net Assets or Fund Balances	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable (attach schedule)				
	22 Other liabilities (describe ▶)				
	23 Total liabilities (add lines 17 through 22)		0	0	
	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				
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds		11,799,696.06	16,870,670.87	
	30 Total net assets or fund balances (see instructions)		11,799,696.06	16,870,670.87	
	31 Total liabilities and net assets/fund balances (see instructions)		11,799,696.06	16,870,670.87	

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	11,799,696.06
2 Enter amount from Part I, line 27a	2	5,774,292.97
3 Other increases not included in line 2 (itemize) ▶ Unrealized appreciation of investments	3	1,615,954.97
4 Add lines 1, 2, and 3	4	19,189,944.00
5 Decreases not included in line 2 (itemize) ▶ Unrealized appreciation on contributed investments sold	5	2,319,273.13
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	16,870,670.87

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Schedule attached				
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 4,826,357.54		1,962,681.08	2,863,676.46	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
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	2,863,676.46
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	21,276.83

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.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	475,307	10,759,369	.044176
2010	212,283	7,221,573	.029396
2009	194,741	4,085,147	.047670
2008	193,272	3,911,237	.049415
2007	155,663	4,005,052	.038867
2 Total of line 1, column (d)			2 .209534
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 .041905
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 14,207,437
5 Multiply line 4 by line 3			5 595,363
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 32,635
7 Add lines 5 and 6			7 627,998
8 Enter qualifying distributions from Part XII, line 4 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.			8 587,500

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	65,269	57
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0	
3	Add lines 1 and 2	3	65,269	57
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	65,269	57
6	Credits/Payments:			
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	2,807	23
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c	70,000	00
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7	72,807	23
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	7,537	66
11	Enter the amount of line 10 to be Credited to 2013 estimated tax 7,537 66 Refunded	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		✓
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the 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>		✓
c Did the foundation file Form 1120-POL for this year?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ <u>None</u> (2) On foundation managers. ► \$ <u>None</u>		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>None</u>		
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>		✓
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>		✓
4a 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? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
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?	✓	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>Connecticut</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	✓	
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>		✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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		✓
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		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	
Website address ► None				
14	The books are in care of ► Dudley & Shanley, LLC	Telephone no. ►	732-936-1030	
	Located at ► 130 Maple Avenue, Suite 6, Red Bank, NJ	ZIP+4 ►	07701-1729	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here.	15	<input type="checkbox"/>	
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►			✓

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input 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)?	1b	
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1c	✓
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 ► 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	
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____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4b	✓

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b**Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

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

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b****Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Schedule attached				

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 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
Schafer Cullen Capital Management, Inc. 645 Fifth Avenue, Suite 1201 New York, NY 10022	Investment Management	69,218.00

Total number of others receiving over \$50,000 for professional services **None**

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 Not applicable, no direct charitable activities	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 Not applicable, no program-related investments	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	14,423,794
b	Average of monthly cash balances	1b	0
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	14,423,794
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	14,423,794
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	216,357
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	14,207,437
6	Minimum investment return. Enter 5% of line 5	6	710,372

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	710,372
2a	Tax on investment income for 2012 from Part VI, line 5	2a	65,270
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	65,270
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	645,102
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	645,102
6	Deduction from distributable amount (see instructions)	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	645,102

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	587,500
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	587,500
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	587,500

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				645,102
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			95,147	
b Total for prior years: 20____, 20____, 20____				
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				
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 587,500				
a Applied to 2011, but not more than line 2a			95,147	
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				492,353
e Remaining amount distributed out of corpus				
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				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				152,749
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)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a				
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				

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

- 1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling **▶**
- b** Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:**

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

Elisabeth C. Dudley, Henry C. Dudley

- 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 <i>Paid during the year</i>				
Highstead Foundation, Inc. PO Box 1097, Redding, CT 06875		501(c) 3	Scientific Research and Education	587,500
Total			3a	587,500
b <i>Approved for future payment</i>				
None				
Total			3b	0

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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					
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					
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)					
13	Total. Add line 12, columns (b), (d), and (e)					

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

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

[illegible]

1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		✓
	(2) Other assets	1a(2)		✓
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		✓
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		✓
	(3) Rental of facilities, equipment, or other assets	1b(3)		✓
	(4) Reimbursement arrangements	1b(4)		✓
	(5) Loans or loan guarantees	1b(5)		✓
	(6) Performance of services or membership or fundraising solicitations	1b(6)		✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		✓
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

[illegible]

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
Highstead Foundation, Inc.	501(c) 3 Private Operating Fdn	Over 25% common directors, contributions
The Quercus Fund, Inc.	501(c) 3 Private Non-operating Fdn	Over 25% common directors

Sign correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

**Sign
Here**

Signature of officer or trustee 3/5/14 Date President Title

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

**Paid
Preparer
Use Only**

Print/Type preparer's name John J. McGlinchey, Jr.	Preparer's signature <i>John J. McGlinchey, Jr.</i>	Date 3/3/14	Check <input checked="checked" type="checkbox"/> if self-employed	PTIN PO1464978
Firm's name ▶ John J. McGlinchey, Jr., CPA	Firm's EIN ▶ 13-0384978			
Firm's address ▶ PO Box 245, Glen Head, NY 11545-0245	Phone no 516-759-0773			

Schedule of Contributors

OMB No 1545-0047

2012

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

Name of the organization

Employer identification number

The Highstead Fund, Inc.

20-5823379

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

Name of organization The Highstead Fund, Inc.	Employer identification number 20-5823379
---	---

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Elisabeth C. Dudley c/o Dudley & Shanley, LLC, 130 Maple Avenue, Ste. 6 Red Bank, NJ 07701-0729	\$ 2,458,160	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	Henry C. Dudley c/o Dudley & Shanley, LLC, 130 Maple Avenue, Ste. 6 Red Bank, NJ 07701-0729	\$ 652,341	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization The Highstead Fund, Inc.	Employer identification number 20-5823379
--	--

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	19,200 Shs. Fastenal Co. Contributed on December 18, 2012 Original cost \$305,701 FMV at mean selling price on NY Stock Exchange	\$ 845,088	December 18, 2012
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	6,000 Shs. Gardner Denver, Inc. Contributed on December 17, 2012 Original cost \$149,297 FMV at mean selling price on NY Stock Exchange	\$ 436,560	December 17, 2012
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	6,200 Shs. Mettler-Toledo International Contributed on December 17, 2012 Original cost \$301,585 FMV at mean selling price on NY Stock Exchange	\$ 1,176,512	December 17, 2012
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	3,400 Shs. Mettler-Toledo International Contributed on December 18, 2012 Original cost \$34,646 FMV at mean selling price on NY Stock Exchange	\$ 652,341	December 18, 2012
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	

The Highstead Fund, Inc.
Form 990-PF

20-5823379
Fiscal Year Ended July 31, 2013

Part I, Line 16c

Other professional fees

Investment management fees

69,218.00

Part I, Line 18

Taxes

Foreign income tax on dividends

5,082.26

Payments on Excise Tax on Inv. Inc.

11,888.27

16,970.53

Part I, Line 23

Other expenses

Bank custody fee

16,411.27

Miscellaneous

559.00

16,970.27

Page 2, Part II
PORTFOLIO APPRAISAL
Highstead Fund Inc.
20-584319
 July 31, 2013

Pct. Assets	Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Unrealized Gain/Loss	Annual Income	Cur. Yield
CASH AND EQUIVALENTS									
3.9		BNY Mellon Cash Reserve Fund		654,072.67		654,072.67		0.00	0.0
3.9				654,072.67		654,072.67		0.00	0.0
COMMON STOCK									
2.8	4,050	3M Co.	75.48	305,703.35	117.43	475,591.50	169,888.15	10,287.00	2.2
2.8	13,300	AT&T Inc.	28.72	381,916.97	35.27	469,091.00	87,174.03	23,940.00	5.1
3.1	14,750	Altria Group Inc.	24.81	365,987.78	35.06	517,135.00	151,147.22	25,960.00	5.0
2.6	10,550	BCE Inc.	44.32	467,607.45	41.29	435,609.50	-31,997.95	23,948.50	5.5
3.1	5,000	Boeing Corp.	62.35	311,747.03	105.10	525,500.00	213,752.97	9,700.00	1.8
3.1	4,100	Chevron Corp.	87.30	357,927.91	125.89	516,149.00	158,221.09	16,400.00	3.2
3.0	19,890	Cisco Systems, Inc.	20.78	413,250.84	25.59	508,985.10	95,734.26	13,525.20	2.7
3.2	8,300	ConocoPhillips	49.13	407,766.20	64.86	538,338.00	130,571.80	22,908.00	4.3
2.8	6,925	Diamond Offshore Drill	72.10	499,259.20	67.44	467,022.00	-32,237.20	24,237.50	5.2
2.0	5,750	Dominion Resources	44.32	254,831.22	59.31	341,032.50	86,201.28	12,937.50	3.8
2.8	8,300	E.I. du Pont	43.01	357,022.93	57.69	478,827.00	121,804.07	14,940.00	3.1
3.0	9,600	Eli Lilly & Co.	35.97	345,356.47	53.11	509,856.00	164,499.53	18,816.00	3.7
2.9	19,850	General Electric Co	18.30	363,283.22	24.37	483,744.50	120,461.28	15,086.00	3.1
2.8	5,800	Genuine Parts Co.	48.90	283,633.43	81.99	475,542.00	191,908.56	12,470.00	2.6
2.6	10,100	HCP, Inc.	34.83	351,733.65	43.87	443,087.00	91,353.35	21,210.00	4.8
2.4	7,150	HSBC Holdings PLC	49.73	355,585.68	56.75	405,762.50	50,176.82	25,740.00	6.3
2.9	7,550	Health Care REIT Inc	47.67	359,915.96	64.49	486,899.50	126,983.54	23,103.00	4.7
3.0	21,450	Intel Corp	21.07	451,958.83	23.33	500,535.75	48,576.92	19,305.00	3.9
2.2	6,750	JP Morgan Chase	45.26	305,521.00	55.73	376,177.50	70,656.50	10,260.00	2.7
3.8	6,900	Johnson & Johnson	63.01	434,767.45	93.50	645,150.00	210,382.55	18,216.00	2.8
2.5	4,190	Kimberly Clark Corp.	63.81	267,373.43	98.80	413,972.00	146,598.57	13,575.60	3.3
1.2	3,566	Kraft Foods Group	32.21	114,877.21	56.58	201,764.47	86,887.26	7,132.01	3.5
3.6	12,500	Merck	35.81	447,565.52	48.17	602,125.00	154,559.48	21,500.00	3.6
2.6	9,010	MetLife, Inc.	40.24	362,601.05	48.42	436,264.20	73,663.15	9,911.00	2.3
3.1	16,300	Microsoft Corp.	25.72	419,193.98	31.84	518,992.00	99,798.02	14,996.00	2.9
3.3	6,400	Nextera Energy Inc.	54.19	346,820.17	86.61	554,304.00	207,483.83	16,896.00	3.0

Page 2, Part II
PORTFOLIO APPRAISAL
Highstead Fund Inc.
70-5873379
 July 31, 2013

Pct. Assets	Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Unrealized Gain/Loss	Annual Income	Cur. Yield
2.8	5,300	Philip Morris Int'l	60.55	320,929.31	89.18	472,654.00	151,724.69	18,020.00	3.8
3.3	7,700	Raytheon Co.	53.39	411,098.95	71.84	553,168.00	142,069.05	16,940.00	3.1
3.1	7,410	Royal Dutch Shell	71.31	528,429.12	70.87	525,146.70	-3,282.42	25,490.40	4.9
2.8	5,650	The Travelers Co., Inc.	53.20	300,561.24	83.55	472,057.50	171,496.26	11,300.00	2.4
2.5	10,750	Unilever NV	29.90	321,462.05	40.01	430,107.50	108,645.45	15,050.00	3.5
3.1	17,300	Vodafone Group PLC	25.48	440,887.65	29.94	518,048.50	77,160.85	17,646.00	3.4
90.7				11,656,576.26		15,298,639.22	3,642,062.97	551,446.71	3.6

AMERICAN DEPOSITORY RECEIPTS

2.8	9,450	Astrazeneca PLC	48.59	459,131.90	50.72	479,304.00	20,172.10	35,910.00	7.5
2.6	3,500	Diageo PLC	73.67	257,853.96	125.33	438,655.00	180,801.04	7,735.00	1.8
5.4				716,985.86		917,959.00	200,973.14	43,645.00	4.8

100.0 TOTAL PORTFOLIO **13,027,634.79** **16,870,670.89** **3,843,036.11** **595,091.71** **3.5**

HOW INCURRED

(D) = DONATION
HOW STOCKS ACQUIRED

REALIZED GAINS AND LOSSES

Highstead Fund Inc.

20-58-3379

From 08-01-12 Through 07-31-13

PAGE 14

Open Date	Close Date	Quantity	Security	Cost		Gain Or Loss		
				Basis	Proceeds	Short Term	Long Term	
12-13-2010	09-14-2012	850	Bristol-Myers Squibb	22,294.99	28,210.61		5,915.62	
02-03-2011	09-14-2012	2,600	Bristol-Myers Squibb	66,081.08	86,291.29		20,210.21	
12-12-2006	09-14-2012	1,625	Bristol-Myers Squibb	41,062.12	53,932.05		12,869.92	
12-12-2006	09-17-2012	725	Bristol-Myers Squibb	18,320.02	23,927.29		5,607.26	
04-25-2008	09-17-2012	4,400	Bristol-Myers Squibb	97,547.12	145,213.90		47,666.78	
05-13-2011	10-25-2012	1	Kraft Foods Group	24.48	30.16		5.68	
05-28-2009	12-19-2012	14,000	Fastenal Co. (D)	228,239.56	626,726.74		398,487.18	
03-08-2005	12-19-2012	5,200	Fastenal Co. (D)	77,461.15	232,784.22		155,323.07	
12-11-2008	12-19-2012	6,000	Gardner Denver, Inc. (D)	149,296.61	455,724.58		306,427.97	
07-20-2005	12-19-2012	6,200	Mettler-Toledo Int'l (D)	301,584.74	1,197,911.74		896,327.00	
11-14-1997	12-19-2012	2,400	Mettler-Toledo Int'l (D)	34,643.52	463,707.77		429,064.25	
10-15-1996	12-19-2012	1,000	Mettler-Toledo Int'l (D)	2.29	193,211.57	125.25	193,209.28	
12-21-2012	02-14-2013	370	Verizon Comm.	16,249.40	16,374.65			8,457.49
02-03-2011	02-14-2013	1,080	Verizon Comm.	39,338.78	47,796.27			1,913.16
12-15-2010	02-14-2013	200	Verizon Comm.	6,938.00	8,851.16			21,616.01
12-13-2010	02-14-2013	2,180	Verizon Comm.	74,861.64	96,477.65			7,606.84
12-13-2010	02-15-2013	770	Verizon Comm.	26,441.95	34,048.79			20,774.00
07-26-2010	02-15-2013	1,300	Verizon Comm.	36,710.96	57,484.96			43,899.57
07-26-2010	02-19-2013	2,700	Verizon Comm.	76,245.84	120,145.41			9,667.46
05-13-2011	03-22-2013	1,400	Mondelez Int'l	31,930.93	41,598.39			1,843.08
12-15-2010	03-22-2013	200	Mondelez Int'l	4,099.55	5,942.63			5,791.80
12-13-2010	03-22-2013	600	Mondelez Int'l	12,036.08	17,827.88			18,910.65
02-03-2011	03-22-2013	1,950	Mondelez Int'l	39,029.96	57,940.61			67,650.06
07-26-2010	03-22-2013	6,550	Mondelez Int'l	126,970.95	194,621.01			
12-21-2012	06-07-2013	550	HJ Heinz Co.	32,470.02	39,875.00	7,404.98		
05-13-2011	06-07-2013	450	HJ Heinz Co.	23,660.96	32,625.00			8,964.04
12-15-2010	06-07-2013	200	HJ Heinz Co.	10,083.98	14,500.00			4,416.02
12-13-2010	06-07-2013	980	HJ Heinz Co.	48,822.82	71,050.00			22,227.18
02-03-2011	06-07-2013	1,400	HJ Heinz Co.	66,857.98	101,500.00			34,642.02
04-25-2008	06-07-2013	520	HJ Heinz Co.	24,317.49	37,700.00			13,382.51

REALIZED GAINS AND LOSSES

Highstead Fund Inc.

20-582374

From 08-01-12 Through 07-31-13

Part 1

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
12-07-2006	06-07-2013	2,900	HJ Heinz Co.	130,726.49	210,250.00		79,523.51
12-21-2012	06-26-2013	1,160	Kimberly Clark Corp.	98,329.61	112,076.21	13,746.60	
TOTAL GAINS						21,276.83	2,842,399.63
TOTAL LOSSES						0.00	0.00
				1,962,681.08	4,826,357.54	21,276.83	2,842,399.63
TOTAL REALIZED GAIN/LOSS			2,863,676.46				
NO CAPITAL GAINS DISTRIBUTIONS							

Part VIII, Line 1

List of all officers, directors, trustees, foundation managers and their compensation
(Note: All officers, directors, trustees, foundation managers are part time.)

<u>Name and Address</u>	<u>Title and Avg. Hours Per Week</u>	<u>Compensation</u>	<u>Contributions to Employee Plans</u>	<u>Expense Account & Other Allowances</u>
Elisabeth C. Dudley c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	Director	None	None	None
Henry C. Dudley c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	President, CEO Director	None	None	None
Sarah Dudley Plimpton c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	Director	None	None	None
Jane C. Dudley c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	Director	None	None	None
Anthony J. Carroll c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	Secretary	None	None	None
Christiane McNamara c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	Asst. Treasurer Asst. Secretary	None	None	None
Frank E. Shanley c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	Vice-President Treasurer Director	None	None	None
David R. Foster c/o Dudley & Shanley, LLC 130 Maple Avenue, Suite 6 Red Bank, NY 07701-1729	Director	None	None	None

The Highstead Fund, Inc.
20-5823379
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FMV OF SECURITIES

Date	FMV of Investments Bank of NY
1-Aug	11,799,696.06
31-Aug	11,734,893.82
30-Sep	11,931,877.53
31-Oct	11,689,257.83
30-Nov	11,718,954.96
31-Dec	14,900,322.20
31-Jan	15,369,536.36
28-Feb	15,570,124.56
31-Mar	16,229,271.06
30-Apr	16,694,613.52
31-May	16,601,451.70
30-Jun	16,398,656.08
31-Jul	16,870,670.70
	<u>187,509,326.38</u>

Averages

	Sum of Individual Balances	Divided by 13
Investments:	<u>187,509,326.38</u>	<u>14,423,794.34</u>