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

Department of the Treasury
Internal Revenue Service

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

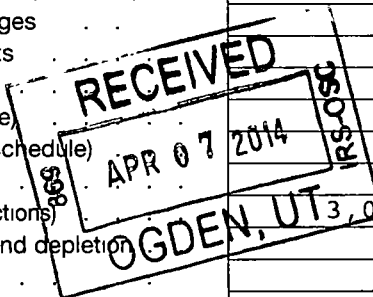
Open to Public Inspection

For calendar year 2012 or tax year beginning December 1 , 2012, **and ending** November 30 , 2013

Name of foundation THE LIPNICK FOUNDATION		A Employer identification number 74-6088087
Number and street (or P O box number if mail is not delivered to street address) 1717 St. James Place, Suite 245	Room/suite 245	B Telephone number (see instructions) 713-871-8310
City or town, state, and ZIP code Houston TX 77056		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"/>
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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 1,122,415	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	44,359	44,359	44,359	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	114,113			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		114,113		
	8 Net short-term capital gain			131,785	
	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)	(10,564)	(10,564)	(10,564)		
12 Total. Add lines 1 through 11	147,908	147,908	165,580		
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)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)		3,072	3,072	3,072
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) <small>Advisory Acct. Fee</small>	15,493	15,493	15,493	15,493
	24 Total operating and administrative expenses. Add lines 13 through 23	18,565	18,565	18,565	18,565
	25 Contributions, gifts, grants paid	128,621			128,621
26 Total expenses and disbursements. Add lines 24 and 25	147,186	18,565	18,565	147,186	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	722				
b Net investment income (if negative, enter -0-)		129,343			
c Adjusted net income (if negative, enter -0-)			147,015		

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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	40,674	138,787	138,787
	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 schedule) ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges Inc Tax Overpayment	3,069	1,885	1,885
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	742,157	657,919	484,248
	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)	0	41,700	37,140
	14 Land, buildings, and equipment, basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15 Other assets (describe ▶ partnerships & trusts)	605,278	561,744	460,355	
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,391,178	1,402,035	1,122,415	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances (see instructions)	1,391,178	1,402,035		
31 Total liabilities and net assets/fund balances (see instructions)	1,391,178	1,402,035		

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	1,391,178
2 Enter amount from Part I, line 27a	2	722
3 Other increases not included in line 2 (itemize) ▶ adjustment to broker's cost	3	10,135
4 Add lines 1, 2, and 3	4	
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,402,035

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 Long-term schedule attached				
b Long-term gain - K-1				
c Short-term schedule attached				
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 (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(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		
a			(21,397)	
b			3,725	
c			131,785	
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	114,113
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	131,785

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	141,400	1,092,585	12.94
2010	175,805	1,235,262	14.23
2009	215,241	1,378,693	15.62
2008	120,909	1,341,320	9.01
2007	44,446	1,211,761	3.67
2 Total of line 1, column (d)			55.47
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			11.09
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			1,136,344
5 Multiply line 4 by line 3			126,020
6 Enter 1% of net investment income (1% of Part I, line 27b)			1,293
7 Add lines 5 and 6			127,313
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.			144,414

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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	1,293
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	1,293
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	1,885
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	592
11	Enter the amount of line 10 to be Credited to 2013 estimated tax 592 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?		X
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>		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
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <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?		N/A
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>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ Texas		
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>	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 ▶ N/A	13	X	
14	The books are in care of ▶ <u>Elton S. Lipnick</u> Telephone no ▶ <u>713-871-8310</u> Located at ▶ <u>1717 St. James Pl., Ste. 245, Houston, TX</u> ZIP+4 ▶ <u>77056</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 ▶ 15			
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
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)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	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?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 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	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. ▶ 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 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	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4b	X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 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? Yes No
 If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Elton S. Lipnick 1717 St. James Place, Ste. 245 Houston, TX 77056	Trustee as needed	0		

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
.....		
.....		
.....		
.....		
Total number of others receiving over \$50,000 for professional services		▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 None	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount	
1 None		
2		
All other program-related investments. See instructions		
3		
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	1,071,213
b	Average of monthly cash balances	1b	82,436
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,153,649
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,153,649
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	17,305
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,136,344
6	Minimum investment return. Enter 5% of line 5	6	56,817

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	56,817
2a	Tax on investment income for 2012 from Part VI, line 5	2a	
b	Income tax for 2012. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	56,817
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
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	56,817

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	147,186
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	147,186
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	147,186

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				56,817
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2012:				
a From 2007				0
b From 2008				53,843
c From 2009				146,306
d From 2010				114,968
e From 2011				86,771
f Total of lines 3a through e	401,888			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ 147,186				
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				
e Remaining amount distributed out of corpus	90,369			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			
6 Enter the net total of each column as indicated below:				
a Corpus: Add lines 3f, 4c, and 4e. Subtract line 5	492,257			
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	492,257			
10 Analysis of line 9:				
a Excess from 2008				53,843
b Excess from 2009				146,306
c Excess from 2010				114,968
d Excess from 2011				86,771
e Excess from 2012				90,369

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				(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).)

Elton S. Lipnick

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:

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

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
<p>a <i>Paid during the year</i></p> <p>SEE ATTACHED</p>		Public	Charitable	128,621
Total ▶				3a 128,621
<p>b <i>Approved for future payment</i></p>				
Total ▶				3b

THE LIPNICK FOUNDATION
Attachment
Part XV
Supplementary Information
Page 1 of 4

Organization	Amount	Address (All addresses Houston unless otherwise indicated)
American Cancer Society	500	6301 Richmond Ave.
American Diabetes Association	200	2400 Augusta Dr.
American Friends of Magen David	500	352 Seventh Avenue, Suite 400 New York, NY 10001
American Heart Association	500	Box 9044, Toronto, OH 43964
American Printing House for the Blind	600	1839 Frankfort Ave Louisville, KY 40206
Boys & Girls Country	100	18806 Roberts Road Hockley, TX 77447
Briargrove Elementary School	200	6145 San Felipe
Care	700	151 Ellis Street, NE Atlanta, GA 30303
Cherish Our Children International	200	Box 54007, 77254
Christ Evangelical Pres. Church	100	8300 Katy Fwy
City Wide Club	500	P.O. Box 8446 Houston, TX 77288
Congregation Beth Jacob	300	2401 Avenue K Galveston, Texas 77550
Congregation Beth Yeshurun	300	4525 Beechnut Street
Congregation B'nai Israel	10,000	3008 Avenue O Galveston, TX 77550
Congregation Brith Shalom	100	4610 Bellaire Blvd
Congregation Emanu El	3,840	1500 Sunset
DePelchin Children's Center	500	4950 Memorial Dr.
Emergency Aid Coalition	2,500	5401 Fannin St.

THE LIPNICK FOUNDATION
Attachment
Part XV
Supplementary Information
Page 2 of 4

Organization	Amount	Address (All addresses Houston unless otherwise indicated)
Feeding America	2,500	Box 9674 Washington, D.C. 20090-6749
The Fistula Foundation	500	1900 The Alameda, 500 San Jose, California 95126
Fort Bend County Women's Center	400	905 3rd Street Rosenberg, Texas 77471
The Friends of Titus Sparrow Park	1,000	37 Braddock Park Boston, MA 02110
Gladney Center for Adoption	1,000	6300 John Ryan Dr. Ft. Worth, TX 76132
Goldring/Woldenberg Institute of Southern Jewish Life	1,000	Box 16528 Jackson, MS 39236
Goodwill Industries	1,000	1140 West Loop North
Hadassah	1,400	50 West 58 Street New York NY 10019
Houston Bar Foundation	500	1001 Fannin, Suite 1300
Houston Food Bank	1,400	3811 Eastex Freeway
Houston Hillel	14,500	1700 Bissonnet
Houston Humane Society	300	P. O. Box 450528
Houston PBS	250	4343 Elgin
Houston SPCA	1,500	900 Portway Drive
HSPVA Friends	250	4119 Montrose
Interfaith Ministries	5,000	3217 Montrose
Jewish Community Center	31,751	5601 S. Braeswood
Jewish Family Service	1,300	4131 S. Braeswood

THE LIPNICK FOUNDATION
Attachment
Part XV
Supplementary Information
Page 3 of 4

Organization	Amount	Address (All addresses Houston unless otherwise indicated)
Jewish Federation of Greater Houston	7,500	5603 S. Braeswood
Jewish Guild for the Blind	300	15 W 65th St. New York, NY 10023
Julie Rogers Gift of Life Program	1,000	148 S. Dowlen Road Beaumont, TX
Juvenile Diabetes Foundation	1,100	1400 Post Oak Blvd.
Kids Meals	2,500	205 W. Crosstimbers
KUHF	500	Box 4878
M.D. Anderson Medical Center	500	Box 301439 Houston, TX 77230
Make a Wish Foundation	500	1604 Bissonnet St.
The Melissa Institute	500	6250 Sunset Dr. #204 Miami, FL 33143
MFAH	150	Box 4606
National Yiddish Book Center	180	1021 West Street Amherst, MA 01002
Open Door Mission	1,000	5803 Harrisburg Blvd.
Pediatric Rbd Foundation	1,000	100 Franklin St. - 801 Boston, MA 02110
Salvation Army	400	2118 Washington
Search	1,000	2505 Fannin
Seven Acres	200	6200 N. Braeswood
South Texas College of Law	3,500	2505 Fannin
Special Olympics	1,000	7715 Chevy Chase Drive, Suite 120 Austin, Texas 78752

THE LIPNICK FOUNDATION
Attachment
Part XV
Supplementary Information
Page 4 of 4

Organization	Amount	Address (All addresses Houston unless otherwise indicated)
St. Jude Children's Research Hospital	2,500	P. O. Box 50 Memphis, TN 38101
Star of Hope	1,000	1811 Ruiz St
Stehlin Foundation	1,000	10301 Stella Link, Suite A
Susan G. Komen Race for the Cure	500	5433 Westheimer Rd., Suite 325
Temple Sinai	100	13875 Brimhurst Dr.
Texas Access to Justice	5,000	Box 12886 Austin, TX 78711
Texas Children's Hospital	500	6621 Fannin St.
Undies for Everyone	5,000	1700 Bissonnet
Unicef	700	P. O. Box 96383 Washington, DC 20090-6383
Union for Reform Judaism	1,000	633 Third Avenue New York, NY 10017-6778
United Way	1,200	2200 North Loop West
Vanderbilt University	100	2201 West End Ave Nashville, TN 37235
TOTAL	<u>\$128,621</u>	

PART I, LINE 11 SCHEDULE

1. Royalty income		\$7,546	
Severance tax	990		
Adm. Exp.	187		
Depletion	<u>1132</u>	<u>(2,309)</u>	\$5,237
2. Boardwalk Pipeline			(3,264)
3. Legacy Reserves			(2,911)
4. Natural Resource			3,680
5. PVR			(5,061)
6. Rentech			(1,794)
7. Alliance Bernstein			(94)
8. Linn Energy			(1,567)
9. Crestwood Pipeline			(4,467)
10. ONEOK			(980)
11. Vanguard			191
12. Petrologistics			(223)
13. Apollo			1,446
14. Northern Tier			<u>(757)</u>
		TOTAL	<u>(\$10,564)</u>

PART II - LINE 10b

Equities: Common Stock			
Number of Shares	Holding	Cost	Value
2,000	Apollo Global Mgmt LLC	60,497	60,380
8,308	Apollo Investment Corp.	85,074	74,938
1,000	Centurylink Inc.	36,060	30,700
1,000	Cliffs Nat Resources Inc	39,004	25,010
5,000	Dana Holding Corp	95,780	101,400
1,000	Enerplus Corp Cad	24,277	18,430
3,000	Frontier Communications Corp	23,821	14,040
5,000	Kinross Gold Corp New Cad	39,850	23,550
5,000	Lightstream Res Ltd Cad	73,916	26,350
3,000	McDermott Intl Inc	26,399	24,450
10,000	Penn West Pete Ltd New Cad	153,244	85,000
	Total	\$657,922	\$484,248

PART II - LINE 15

Equities: Other Equity Investments			
4,000	Boardwalk Pipeline Partners LP	118,426	105,360
2,000	Cross Timbers Royalty Tr	83,375	57,340
3,500	Legacy Reserves LP Unit LTD	107,578	94,465
3,000	Natural Resource Partners LP	89,620	60,270
2,000	Permian Basin Royalty Tr UBI	28,725	27,780
3,000	PVR Partners L P MLP	71,639	74,100
2,000	Rentech Nitrogen Partners L P	62,380	41,040
	Total	\$561,743	\$460,355

FROM PAGE 3

LONG TERM LOSS (17,672)

SHORT-TERM GAIN 95,244

ADDITIONAL SHORT-TERM GAIN DUE TO TAX BASIS
BEING LESS THAN BROKER COST BASIS

Vanguard	506	
Linn	5,691	
Crestwood	11,212	
Petro	2,442	
ONEOK	980	
Alliance Bernstein	15,403	
Northern Tier	<u>307</u>	<u>36,541</u>
	TOTAL SHORT-TERM GAIN	<u>\$131,785</u>
	NET GAIN	<u>\$114,113</u>



Prepared for LIPNICK FOUNDATION
 PJ 01315 • LIPNICK FOUNDATION • UBS Strategic Advisor
 Risk profile: Moderate
 Return Objective: Current Income and Capital Appreciation

Realized gain/loss

from 12/01/2012 to 11/30/2013

CUSIP	Symbol	Quantity	Purchase date	Purchase amount (\$)	Sale date	Sale amount (\$)	Realized gain/(loss) (\$)
01881G106	AB	1,500.00	07/18/2013	31,484.85	08/01/2013	33,959.41	2,474.56
01881G106	AB	200.00	08/22/2013	3,882.00	09/06/2013	4,065.64	183.64
01881G106	AB	1,800.00	08/23/2013	35,188.00	09/06/2013	36,590.79	1,402.79
01881G106	AB	2,000.00	09/27/2013	39,508.00	11/25/2013	44,173.23	4,665.23
037612306	APO	2,000.00	05/13/2013	49,897.00	05/17/2013	53,719.70	3,822.70
037612306	APO	1,000.00	07/23/2013	26,549.20	08/01/2013	27,120.55	571.35
037612306	APO	3,000.00	05/22/2013	78,147.77	10/07/2013	90,208.43	12,060.66
156700106	CEL	1,000.00	11/29/2012	39,172.76	12/18/2012	39,233.20	60.44
191216100	KO	1,000.00	07/16/2013	39,609.70	07/17/2013	40,899.38	1,289.68
203233101	CWH	2,000.00	09/14/2012	31,559.57	02/05/2013	34,019.24	2,459.67
203233101	CWH	2,000.00	07/13/2012	37,867.92	02/26/2013	43,219.23	5,351.31
226372100		2,000.00	09/14/2012	48,203.08	01/30/2013	50,759.06	2,555.98
226372100		1,500.00	04/19/2013	32,684.85	05/03/2013	34,154.38	1,469.53
44106M102	HPT	1,500.00	12/18/2012	34,851.07	01/17/2013	37,195.06	2,343.99
496902404	KGC	5,000.00	03/15/2013	39,649.50	03/27/2013	40,699.09	1,049.59
536020100	LINE	750.00	12/26/2012	27,604.94	02/21/2013	28,319.37	714.43
536020100	LINE	12,500.00	01/30/2013	48,087.38	07/22/2013	47,649.18	(438.20)



Realized gain/loss - from 12/01/2012 to 11/30/2013 (continued)

CUSSIP	Symbol	Quantity	Purchase date	Purchase amount (\$)	Sale date	Sale amount (\$)	Realized gain/(loss) (\$)
536020100	LINE	70.00	03/22/2013	2,546.60	04/01/2013	2,691.51	144.91
536020100	LINE	1,500.00	05/22/2013	57,775.50	07/15/2013	57,775.50	0.00
536020100	LINE	2,000.00	06/06/2013	65,999.80	06/21/2013	67,998.82	1,999.02
536020100	LINE	7,000.00	08/07/2013	27,860.00	08/15/2013	29,779.84	1,919.84
536020100	LINE	1,250.00	07/02/2013	35,925.00	09/12/2013	35,513.13	-411.87
536020100	LINE	1,000.00	02/19/2013	35,800.00	10/07/2013	35,819.55	19.55
536020100	LINE	3,000.00	10/25/2013	80,580.00	11/06/2013	91,558.71	10,978.71
887337504	MPW	3,000.00	08/29/2013	26,715.00	09/19/2013	28,219.64	1,504.64
589400100	MCY	1,000.00	02/07/2013	37,750.00	04/04/2013	38,106.48	356.48
589400100	MSI	3,000.00	07/05/2013	18,970.97	07/07/2013	19,055.24	84.27
665826103	NTI	2,000.00	08/14/2013	44,600.00	10/22/2013	46,839.38	2,239.38
682681103	OKS	200.00	06/24/2013	9,398.00	07/15/2013	10,213.84	815.84
682681103	OKS	3,000.00	05/25/2013	17,030.00	07/17/2013	17,076.50	46.50
71672U101	PDH	2,000.00	04/22/2013	25,780.00	05/02/2013	26,999.40	1,219.40
71672U101	PDH	2,000.00	05/17/2013	27,100.00	10/22/2013	27,199.00	99.00
71672U101	PDH	2,000.00	07/25/2013	25,700.00	10/24/2013	25,799.55	99.55
73481M02	PSEC	1,000.00	11/17/2012	1,168.17	12/01/2012	1,219.25	51.08

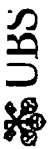
Report created on: January 02, 2014



Prepared for LIPNICK FOUNDATION
 PJ 01315 • LIPNICK FOUNDATION • UBS Strategic Advisor
 Risk profile Moderate
 Return Objective Current Income and Capital Appreciation

Realized gain/loss - from 12/01/2012 to 11/30/2013 (continued)

CUSIP	Symbol	Quantity	Purchase date	Purchase amount (\$)	Sale date	Sale amount (\$)	Realized gain/(loss) (\$)
74348T102	PSEC	36.00	12/20/2012	395.89	05/03/2013	398.51	2.62
74348T102	PSEC	1,500.00	02/26/2013	15,451.00	06/03/2013	16,604.63	1,153.63
74348T102	PSEC	1,500.00	03/21/2013	16,604.63	05/03/2013	16,604.63	0.00
74348T102	PSEC	1,100.00	03/18/2013	11,278.90	05/03/2013	12,331.61	1,052.71
74348T102	PSEC	5,000.00	05/08/2013	54,357.55	07/15/2013	54,699.05	341.50
74348T102	PSEC	1,100.00	05/27/2013	11,384.95	07/15/2013	12,331.61	946.66
74348T102	PSEC	53.00	06/20/2013	548.94	07/15/2013	579.81	30.87
74348T102	PSEC	1,000.00	07/16/2013	10,544.00	09/22/2013	11,604.63	1,060.63
760113100	RNF	1,000.00	04/16/2013	31,500.00	04/19/2013	34,599.22	3,099.22
767204100	RIO	500.00	04/02/2013	23,778.31	08/09/2013	24,795.72	1,017.41
767204100	RIO	500.00	04/10/2013	24,153.96	08/09/2013	24,795.72	641.76
880770102	TRF	1,000.00	04/26/2013	16,250.00	07/08/2013	17,609.60	1,359.60
Q9235V101	TROX	1,000.00	10/02/2012	23,257.62	05/31/2013	23,455.71	198.09
Q9235V101	TROX	1,000.00	10/03/2012	22,952.27	05/31/2013	23,455.71	503.44
Q9235V101	TROX	614.00	10/08/2012	14,401.81	05/31/2013	14,401.81	0.00
Q9235V101	TROX	386.00	09/08/2012	9,086.51	08/03/2013	9,194.40	107.89
Q9235V101	TROX	1,500.00	06/06/2013	31,536.85	07/18/2013	32,655.48	1,118.63
92205F106	VNR	1,000.00	02/22/2013	27,181.00	03/14/2013	28,339.51	1,158.51
92205F106	VNR	1,000.00	02/26/2013	27,660.00	03/14/2013	28,339.51	679.51
92205F106	VNR	1,000.00	04/02/2013	27,599.90	04/19/2013	28,859.35	1,259.45



Realized gain/loss - from 12/01/2012 to 11/30/2013 (continued)

CUSIP	Symbol	Quantity	Purchase date	Purchase amount (\$)	Sale date	Sale amount (\$)	Realized gain/(loss) (\$)
92857WZ09	VOD	1,000.00	02/27/2013	25,039.90	03/05/2013	26,349.51	1,309.61
92857WZ09	VOD	1,000.00	02/05/2013	26,681.00	03/17/2013	27,781.18	1,100.18
92936U109	WPC	500.00	11/07/2012	24,640.57	12/26/2012	25,660.63	1,020.06
92936U109	WPC	500.00	11/17/12	24,878.84	12/26/2012	25,880.00	1,001.16
994368100	*MERGER-EFF-10/2013* CLA	1,500.00	02/19/2013	21,750.00	05/10/2013	23,759.57	2,009.57
969203108	WG	2,533.00	08/08/2012	15,799.85	01/30/2013	17,173.36	1,373.51
969203108	WG	1,000.00	09/09/2012	6,170.57	02/05/2013	6,751.10	580.53
01881G106	AB	1,500.00	10/28/2010	37,727.40	05/07/2013	38,029.49	302.09
01881G106	AB	1,000.00	07/17/10	25,301.37	05/07/2013	25,349.43	48.06
01881G106	AB	1,000.00	11/30/2009	25,556.37	05/09/2013	25,349.43	-206.94
01881G106	AB	1,000.00	05/04/2010	18,301.37	11/27/10	17,065.56	-1,235.81
203233101	CWH	1,000.00	02/24/2012	18,934.62	02/26/2013	21,609.62	2,675.00
2195E0100	DMV	1,000.00	06/29/2011	15,484.67	06/27/2013	26,816.15	11,331.48
226372100	DOV	1,000.00	01/23/2012	30,337.10	06/25/2013	25,579.65	-4,757.45
260543100	DOV	1,000.00	05/02/2011	29,659.19	05/15/2013	35,001.40	5,342.21
724479100	PBI	1,500.00	01/20/2012	29,600.05	09/17/2013	26,054.67	-3,545.38
724479100	PBI	1,000.00	01/21/2012	19,750.15	10/17/2012	18,697.67	-1,052.48
TOTAL REALIZED GAIN/(LOSS)							23,847.25
TOTAL GAINS:							102,890.99
TOTAL LOSSES:							-29,043.74
SHORT TERM - TOTAL REALIZED GAIN/(LOSS):							95,244.20
LONG TERM - TOTAL REALIZED GAIN/(LOSS):							-21,396.95

To IV 1, A.
To IV 1, C.

ws1 : Wash Sale adjustment amount of \$-60.37
 ws2 : Wash Sale adjustment amount of \$60.37
 ws3 : Wash Sale adjustment amount of \$-51.85
 ws4 : Wash Sale adjustment amount of \$51.85