



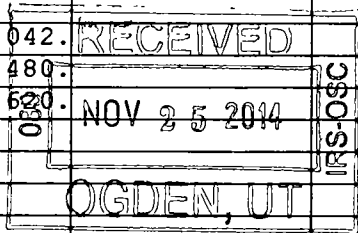
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For calendar year 2013 or tax year beginning , 2013, and ending , 20

Name of foundation THE PAYNE FUND		A Employer identification number 13-5563006
Number and street (or P.O. box number if mail is not delivered to street address) 50 PUBLIC SQUARE SUITE 4100		B Telephone number (see instructions) (216) 696-1621
Room/suite		
City or town, state or province, country, and ZIP or foreign postal code CLEVELAND, OH 44113		
G Check all that apply.		C If exemption application is pending, check here <input type="checkbox"/>
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	D 1 Foreign organizations, check here <input type="checkbox"/>
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
<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) \$ 4,059,612.	J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) MODIFIED CASH <i>(Part I, column (d) must be on cash basis)</i>	

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)	712,974.			
	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	86,401.	86,401.		ATCH 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	178,946.			
	b Gross sales price for all assets on line 6a	1,849,462.			
	7 Capital gain net income (from Part IV, line 2)		178,946.		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a 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	978,321.	265,347.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) ATCH 2	13,803.	11,042.		2,761.
	b Accounting fees (attach schedule) ATCH 3	10,600.	8,480.		2,120.
	c Other professional fees (attach schedule)	74,195.	46,620.		27,575.
	17 Interest				
	18 Taxes (attach schedule) (see instructions) ATCH 5	3,000.			3,000.
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy	31,000.			16,678.
	21 Travel, conferences, and meetings	11,382.			11,382.
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 6	48,452.			48,452.
	24 Total operating and administrative expenses. Add lines 13 through 23	192,432.	66,142.		111,968.
	25 Contributions, gifts, grants paid	809,000.			809,000.
26 Total expenses and disbursements. Add lines 24 and 25	1,001,432.	66,142.	0	920,968.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-23,111.				
b Net investment income (if negative, enter -0-)		199,205.			
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	233,782.	172,267.	172,267.
	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			
	10 a	Investments - U S and state government obligations (attach schedule),			
	b	Investments - corporate stock (attach schedule) ATCH 7	3,444,542.	3,726,989.	3,726,989.
	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) ATCH 8	114,148.	160,356.	160,356.
	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)	3,792,472.	4,059,612.	4,059,612.	
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)	0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	3,792,472.	4,059,612.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, . . . ▶ <input type="checkbox"/> check here 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)	3,792,472.	4,059,612.		
31	Total liabilities and net assets/fund balances (see instructions)	3,792,472.	4,059,612.		

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	3,792,472.
2	Enter amount from Part I, line 27a	2	-23,111.
3	Other increases not included in line 2 (itemize) ▶ ATCH 9	3	290,251.
4	Add lines 1, 2, and 3	4	4,059,612.
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	4,059,612.

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 SEE PART IV SCHEDULE						
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a						
b						
c						
d						
e						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))			
(j) F M V as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col (i) over col (j), if any				
a						
b						
c						
d						
e						
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }				2	178,946.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8				3	0	

Part 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))	
2012	785,362.	3,870,769.	0.202896	
2011	798,352.	3,968,744.	0.201160	
2010	735,071.	3,786,319.	0.194139	
2009	697,254.	3,233,332.	0.215646	
2008	720,189.	4,085,223.	0.176291	
2 Total of line 1, column (d)			2	0.990132
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3	0.198026
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5			4	4,259,935.
5 Multiply line 4 by line 3			5	843,578.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6	1,992.
7 Add lines 5 and 6			7	845,570.
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	920,968.

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

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations that meet the section 4940(e) requirements', 'Tax under section 511', 'Add lines 1 and 2', 'Subtitle A (income) tax', 'Tax based on investment income', 'Credits/Payments', 'Total credits and payments', 'Enter any penalty for underpayment of estimated tax', 'Tax due', 'Overpayment', and 'Enter the amount of line 10 to be Credited to 2014 estimated tax'.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions like 'During the tax year, did the foundation attempt to influence any national, state, or local legislation...', 'Did it spend more than \$100 during the year for political purposes...', 'Did the foundation file Form 1120-POL for this year?', 'Enter the amount of tax on political expenditures...', 'Has the foundation engaged in any activities that have not previously been reported to the IRS?', 'Has the foundation made any changes, not previously reported to the IRS...', 'Did the foundation have unrelated business gross income of \$1,000 or more during the year?', 'Was there a liquidation, termination, dissolution, or substantial contraction during the year?', 'Are the requirements of section 508(e) satisfied either by language in the governing instrument or by state legislation...', 'Did the foundation have at least \$5,000 in assets at any time during the year?', and 'Enter the states to which the foundation reports or with which it is registered'.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions). 11 X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address N/A
14 The books are in care of CHARLES P. BOLTON Telephone no 216-696-1621
Located at 50 PUBLIC SQUARE STE 4100 CLEVELAND, OH ZIP+4 44115
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here 15
16 At any time during calendar year 2013, 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 X
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.

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? Yes X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes X 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)? Yes X 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) Yes X 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
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 2013? 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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? Yes X No
If "Yes," list the years
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
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes X No
b If "Yes," did it have excess business holdings in 2013 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 2013) 3b
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 2013? 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... (2) Influence the outcome of any specific public election... (3) Provide a grant to an individual for travel... (4) Provide a grant to an organization other than a charitable... (5) Provide for any purpose other than religious... b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify... c If the answer is "Yes" to question 5a(4), does the foundation claim exemption... 6a Did the foundation, during the year, receive any funds... 6b Did the foundation, during the year, pay premiums... 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? 7b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

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).

Table with 5 columns: (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. Row 1: ATCH 10, 0, 0, 0.

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

Table with 5 columns: (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. Row 1: 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		

0

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 NOT APPLICABLE
2
All other program-related investments See instructions
3 NONE

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	4,288,304.
b	Average of monthly cash balances	1b	36,503.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	4,324,807.
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	4,324,807.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	64,872.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	4,259,935.
6	Minimum investment return. Enter 5% of line 5	6	212,997.

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	212,997.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	1,992.
b	Income tax for 2013. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,992.
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	211,005.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	211,005.
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	211,005.

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	920,968.
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	920,968.
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	1,992.
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	918,976.

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				211,005.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only				
b Total for prior years 20 11 ,20 10 ,20 09				
3 Excess distributions carryover, if any, to 2013				
a From 2008				
b From 2009				349,368.
c From 2010				
d From 2011				
e From 2012				
f Total of lines 3a through e	349,368.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$ 920,968.				
a Applied to 2012, 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)	712,974.			
d Applied to 2013 distributable amount				207,994.
e Remaining amount distributed out of corpus . . .				
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	3,011.			3,011.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,059,331.			
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 2012 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . .	712,974.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions) . . .				
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	346,357.			
10 Analysis of line 9				
a Excess from 2009 . . .	346,357.			
b Excess from 2010 . . .				
c Excess from 2011 . . .				
d Excess from 2012 . . .				
e Excess from 2013 . . .				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, 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) 2013	(b) 2012	(c) 2011	(d) 2010	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
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).)

N/A

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

N/A

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 address 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> ATCH 11				
Total ▶ 3a				809,000.
b <i>Approved for future payment</i> ATCH 12				
Total ▶ 3b				3,131,250.

Part XVI-A Analysis of Income-Producing Activities

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include: 1 Program service revenue, 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, 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, 12 Subtotal, 13 Total.

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

Table with 2 columns: Line No., Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions).

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 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... a Transfers from the reporting foundation to a noncharitable exempt organization of... b Other transactions... c Sharing of facilities, equipment, mailing lists, other assets, or paid employees... d If the answer to any of the above is "Yes," complete the following schedule

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. All entries are N/A.

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... 2b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All cells are empty.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, 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: Charles R. Bectel, Date: 11/3/14, Title: [blank]. May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [] No

Paid Preparer Use Only: Print/Type preparer's name: DAVID O REYES, Preparer's signature: [Signature], Date: 10/21/14, Check self-employed: [], PTIN: P00165377, Firm's name: MALONEY + NOVOTNY LLC, Firm's EIN: 34-0677006, Firm's address: 1111 SUPERIOR AVENUE, SUITE 700 CLEVELAND, OH 44114, Phone no: 216-363-0100

Schedule B

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

OMB No 1545-0047

2013

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

Name of the organization
THE PAYNE FUND

Employer identification number
13-5563006

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 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 its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization THE PAYNE FUND

Employer identification number
13-5563006

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	UD F P BOLTON FOR PAYNE FUND INC. 114 WEST 47TH STREET NEW YORK, NY 10036	\$ 712,974.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Name of organization THE PAYNE FUND

Employer identification number
13-5563006

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
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----

Name of organization **THE PAYNE FUND**

Employer identification number

13-5563006

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

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

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

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

THE PAYNE FUND, INC.
50 PUBLIC SQUARE, SUITE 4100
CLEVELAND, OH 44113

EIN: 13-5563006
YEAR END: 12/31/13

ELECTION PURSUANT TO REGS. SEC. 53.4942(a)-3(d)(2)

The Payne Fund, a private foundation, through its undersigned officer hereby elects, pursuant to Treasury Regulation 53.4942(a)-3(d)(2), to treat \$712,974 of its qualifying distribution for 2013 as made out of corpus.

Dated: November 3, 2014

By: X Charles R. Bolton
Charles Bolton, The Payne Fund

ATTACHMENT 1

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INVESTMENT ACCOUNT INCOME	86,401.	86,401.
TOTAL	<u>86,401.</u>	<u>86,401.</u>

ATTACHMENT 2

FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
LEGAL FEES	13,803.	11,042.	2,761.	
TOTALS	<u>13,803.</u>	<u>11,042.</u>	<u>2,761.</u>	

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	10,600.	8,480.	2,120.	
TOTALS	<u>10,600.</u>	<u>8,480.</u>	<u>2,120.</u>	

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
TRUSTEE FEES	22,820.	22,820.	
FINANCIAL CONSULTING	23,800.	23,800.	
OTHER CONSULTING	27,575.		27,575.
TOTALS	<u>74,195.</u>	<u>46,620.</u>	<u>27,575.</u>

ATTACHMENT 5

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>CHARITABLE PURPOSES</u>
TAXES	3,000.	3,000.
TOTALS	<u>3,000.</u>	<u>3,000.</u>

ATTACHMENT 6

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
PERSONNEL	40,200.
POSTAGE	2,376.
STATIONARY AND OFFICE SUPPLIES	898.
FILING FEES	476.
TELEPHONE	1,342.
INSURANCE	3,152.
MISCELLANEOUS	8.

TOTALS 48,452.

CHARITABLE PURPOSES	
	40,200.
	2,376.
	898.
	476.
	1,342.
	3,152.
	8.

48,452.

ATTACHMENT 7

FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
COMMON STOCK - SEE ATTACHED DETAIL	3,444,542.	3,726,989.	3,726,989.
TOTALS	<u>3,444,542.</u>	<u>3,726,989.</u>	<u>3,726,989.</u>

**THE PAYNE FUND
 INVESTMENT ACCOUNT DETAIL RECONCILIATION
 12/31/2013**

KCB	
OTHER EQUITIES	1,251,940
FIXED INCOME	385,122
HEDGE FUNDS	197,727
REAL ESTATE	98,106
TANGIBLE ASSETS	55,780
ACCRUED INCOME	476
OBP	
OTHER EQUITIES	1,066,415
FIXED INCOME	346,973
HEDGE FUNDS	188,298
REAL ESTATE	84,115
TANGIBLE ASSETS	51,687
ACCRUED INCOME	350
OTHER	

\$

\$

\$ 3,726,989

Financial 360



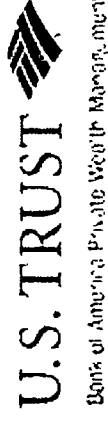
Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
Total Portfolio				1,666,156.72		2,074,376.74	475.62	408,220.02	27,345.06		100.00
CASH/CURRENCY				85,701.65		85,701.65	0.10	0.00	3.53	0.00	4.13
CASH EQUIVALENTS				85,701.65		85,701.65	0.10	0.00	3.53	0.00	4.13
BOFA CASH RESERVES TRUST CLASS (INCOME INVESTMENT)	097100788	4,172.710	1.00	4,172.71	1.00	4,172.71	0.00	0.00	0.00	0.00	0.20
41161025874763 PAYNE FUND INC NO 1 NMA		4,172.710	1.00	4,172.71	1.00	4,172.71	0.00	0.00	0.00	0.00	0.20
BOFA CASH RESERVES TRUST CLASS	097100788	75,653.730	1.00	75,653.73	1.00	75,653.73	0.00	0.00	0.00	0.00	3.65
41161025874763 PAYNE FUND INC NO 1 NMA		75,653.730	1.00	75,653.73	1.00	75,653.73	0.00	0.00	0.00	0.00	3.65
BANK OF AMERICA TEMPORARY OVERNIGHT DEPOSIT	99Z490460	5,875.210	1.00	5,875.21	1.00	5,875.21	0.10	0.00	3.53	0.06	0.28
41161025874763 PAYNE FUND INC NO 1 NMA		5,875.210	1.00	5,875.21	1.00	5,875.21	0.10	0.00	3.53	0.06	0.28
EQUITIES											
U S LARGE CAP				864,076.06		1,251,940.10	0.00	387,864.04	12,390.63	0.99	60.35
COLUMBIA DIVIDEND INCOME FUND CLASS Z SHARES(GSFT X)	19765N245	7,754.205	9.33	358,885.98	18.33	563,232.44	0.00	204,346.46	5,332.55	0.95	27.15
41161025874763 PAYNE FUND INC NO 1 NMA		7,754.205	9.33	72,309.92	18.33	142,134.58	0.00	69,824.66	2,752.74	1.94	6.85
41161025874763 PAYNE FUND INC NO 1 NMA		7,754.205	9.33	72,309.92	18.33	142,134.58	0.00	69,824.66	2,752.74	1.94	6.85

Financial 360



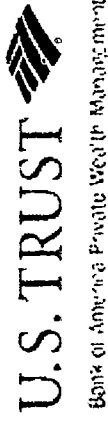
Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
COLUMBIA SELECT LARGE CAP GROWTH FUND CLASS Z SHARES(UMLG X)	19765Y688	7,254 599	7 41	53,754 60	19.24	139,578 48	0.00	85,823 88	0 00	0 00	6 73
41161025874763 PAYNE FUND INC NO 1 NMA		7,254 599	7 41	53,754 60	19 24	139,578 48	0 00	85,823 88	0 00	0 00	6 73
MFS VALUE FUND CL (MEII X)	552983694	4,154 345	28 92	120,143 65	33 36	138,588 95	0 00	18,445 29	2,313 97	1 67	6 68
41161025874763 PAYNE FUND INC NO 1 NMA		4,154 345	28 92	120,143 65	33 36	138,588 95	0 00	18,445 29	2,313 97	1 67	6 68
TCW SELECT EQUITIES FUND CL I(TGCE X)	87234N302	5,656 131	19 92	112,677 80	25 27	142,930 43	0 00	30,252 63	265 84	0 19	6 89
41161025874763 PAYNE FUND INC NO 1 NMA		5,656 131	19 92	112,677 80	25 27	142,930 43	0 00	30,252 63	265 84	0 19	6 89
U S MID CAP				138,668 43		215,158 74	0 00	76,490 31	695 47	0 32	10 37
COLUMBIA MID CAP GROWTH FUND CLASS Z SHARES(CLSP X)	19765P232	3,269 257	14 86	48,591 23	31 66	103,504 68	0 00	54,913 45	29 42	0 03	4 99
41161025874763 PAYNE FUND INC NO 1 NMA		3,269 257	14 86	48,591 23	31 66	103,504 68	0 00	54,913 45	29 42	0 03	4 99
TOUCHSTONE MID CAP VALUE OPPORTUNITIES FUND(TMOI X)	89154X294	12,109 985	7 44	90,077 20	9 22	111,654 06	0 00	21,576 86	666 05	0 60	5 38
41161025874763 PAYNE FUND INC NO 1 NMA		12,109 985	7 44	90,077 20	9 22	111,654 06	0 00	21,576 86	666 05	0 60	5 38
U S SMALL CAP				97,238 30		128,582 84	0 00	31,344 54	274 86	0 21	6 20

Financial 360



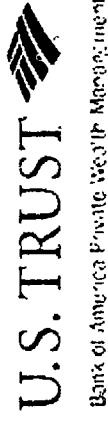
Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
CAMBIAR SMALL CAP FUND INV CL(CAMS X)	0075W0817	2,222,222	18 00	40,000 00	22.70	50,444.44	0.00	10,444.44	0 00	0 00	2 43
41161025874763 PAYNE FUND INC NO 1 NMA		2,222,222	18 00	40,000 00	22.70	50,444.44	0.00	10,444.44	0 00	0 00	2 43
EAGLE SM CAP GROWTH FUND CL (HSII X)	269858304	978 713	40 87	40,000 00	58 15	56,912 16	0.00	16,912.16	14 68	0 03	2.74
41161025874763 PAYNE FUND INC NO 1 NMA		978 713	40 87	40,000 00	58 15	56,912 16	0.00	16,912 16	14 68	0 03	2 74
ISHARES RUSSELL 2000 ETF(IWM)	464287655	184	93 69	17,238 30	115 36	21,226 24	0.00	3,987 94	260 18	1 23	1 02
41161025874763 PAYNE FUND INC NO 1 NMA		184	93 69	17,238 30	115 36	21,226 24	0.00	3,987 94	260 18	1 23	1 02
INTERNATIONAL DEVELOPED				175,535 56		247,317 93	0.00	71,782 37	4,215 33	1 70	11 92
INVESCO INTL GROWTH FUND CL Y(AIYY X)	008882532	3,662 768	27 60	101,085 47	33 90	124,167 84	0.00	23,082 37	1,622 61	1 31	5 99
41161025874763 PAYNE FUND INC NO 1 NMA		3,662 768	27 60	101,085 47	33 90	124,167 84	0.00	23,082 37	1,622 61	1 31	5 99
HARBOR INTERNATIONAL FUND INSTL CL(HAIN X)	411511306	1,734 264	42 93	74,450 09	71 01	123,150 09	0.00	48,700 00	2,592 72	2 11	5 94
41161025874763 PAYNE FUND INC NO 1 NMA		1,734 264	42 93	74,450 09	71 01	123,150 09	0.00	48,700 00	2,592 72	2 11	5 94
EMERGING MARKETS				93,747 79		97,648 15	0.00	3,900 36	1,872 42	1 92	4 71

Financial 360



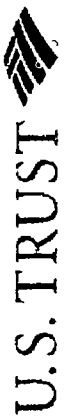
Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
LAZARD EMERGING MKTS EQUITY PORTFOLIO INSTL CL(LZEM X)	52106N889	5,230 217	17 92	93,747 79	18 67	97,648 15	0 00	3,900 36	1,872 42	1 92	4 71
41161025874763 PAYNE FUND INC NO 1 NMA		5,230 217	17 92	93,747 79	18 67	97,648 15	0 00	3,900 36	1,872 42	1 92	4 71
FIXED INCOME											
INVESTMENT GRADE TAXABLE											
COLUMBIA SHORT TERM BOND FUND CLASS Z SHARES(NSTM X)	19765H362	7,845 186	9 73	76,335 01	9 96	78,138 05	83 20	1,803 04	690 38	0 88	3 77
41161025874763 PAYNE FUND INC NO 1 NMA		7,845 186	9 73	76,335 01	9 96	78,138 05	83 20	1,803 04	690 38	0 88	3 77
PIMCO TOTAL RETURN FUND INSTL(PTRR X)	693390700	18,461 378	10 79	199,120 23	10 69	197,352 13	286 96	(1,768 10)	4,910 73	2 49	9 51
41161025874763 PAYNE FUND INC NO 1 NMA		18,461 378	10 79	199,120 23	10 69	197,352 13	286 96	(1,768 10)	4,910 73	2 49	9 51
INTERNATIONAL DEVELOPED BONDS											
TEMPLETON GLOBAL BD FUND ADVISOR CL(TGBA X)	880208400	3,691 047	13 46	49,670 15	13 09	48,315 81	0 00	(1,354 34)	1,893 51	3 92	2 33
41161025874763 PAYNE FUND INC NO 1 NMA		3,691 047	13 46	49,670 15	13 09	48,315 81	0 00	(1,354 34)	1,893 51	3 92	2 33
GLOBAL HIGH YIELD TAXABLE											
				49,675 69		61,316 09	105 36	11,640 40	4,155 49	6 78	2 96

Financial 360



Bank of America Private Wealth Management

Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
ARTIO GLOBAL HIGH INCOME FUND CL (JHYI X)	04315J860	3,945,975	7.22	28,499.92	10.05	39,657.05	0.00	11,157.13	2,845.05	7.17	1.91
41161025874763 PAYNE FUND INC NO 1 NMA		3,945,975	7.22	28,499.92	10.05	39,657.05	0.00	11,157.13	2,845.05	7.17	1.91
SPDR BARCLAYS HIGH YIELD BOND ETF(JNK)	78464A417	534	39.66	21,175.77	40.56	21,659.04	105.36	483.27	1,310.44	6.05	1.04
41161025874763 PAYNE FUND INC NO 1 NMA		534	39.66	21,175.77	40.56	21,659.04	105.36	483.27	1,310.44	6.05	1.04
HEDGE FUNDS											
HEDGE FUNDS SPECIFIC STRATEGY				188,178.48		197,726.81	0.00	9,548.33	1,527.95	0.77	9.53
41161025874763 PAYNE FUND INC NO 1 NMA				188,178.48		197,726.81	0.00	9,548.33	1,527.95	0.77	9.53
BLACKROCK GLOBAL LONG/SHORT CR FUND INSTL SHS(BGCI X)	091936732	3,772.301	10.68	40,269.45	10.81	40,778.57	0.00	509.12	535.67	1.31	1.97
41161025874763 PAYNE FUND INC NO 1 NMA		3,772.301	10.68	40,269.45	10.81	40,778.57	0.00	509.12	535.67	1.31	1.97
HATTERAS ALPHA HEDGED STRATEGIES FUND INS SHS(ALPI X)	41902V872	5,115.090	11.73	60,000.00	11.80	60,358.06	0.00	358.06	20.46	0.03	2.91
41161025874763 PAYNE FUND INC NO 1 NMA		5,115.090	11.73	60,000.00	11.80	60,358.06	0.00	358.06	20.46	0.03	2.91
NATIXIS FDS TR II ASG GLOBAL ALTERNATIVES FUND CL Y(GAFY X)	63872T885	8,450.584	10.40	87,909.03	11.43	96,590.18	0.00	8,681.15	971.82	1.01	4.66
41161025874763 PAYNE FUND INC NO 1 NMA		8,450.584	10.40	87,909.03	11.43	96,590.18	0.00	8,681.15	971.82	1.01	4.66

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**Investment Management, Trust & Custody Accounts
Holdings by Security**

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
REAL ESTATE											
PUBLIC REITS											
NATIXIS FDS TR IV AEW REAL ESTATE FD CL Y COM(NIRFY X)	63872W409	7,063 102	13.48	95,228 18	13 89	98,106 49	0 00	2,878 31	1,772 84	1 81	4 73
41161025874763 PAYNE FUND INC NO 1 NMA		7,063 102	13 48	95,228 18	13 89	98,106 49	0 00	2,878 31	1,772 84	1 81	4 73
TANGIBLE ASSETS											
COMMODITIES											
CREDIT SUISSE COMMODITY-RETURN STRATEGY FUND CL (CRSO X)	22544R305	7,715 022	7 54	58,171 27	7 23	55,779 61	0 00	(2,391 66)	0 00	0 00	2 69
41161025874763 PAYNE FUND INC NO 1 NMA		7,715 022	7 54	58,171 27	7 23	55,779 61	0 00	(2,391 66)	0 00	0 00	2 69

! closed account

*SD - settlement date basis account holdings

When viewing Holdings by Account, the Total Portfolio may include more than the aggregated market values of the accounts displayed on the report

Unless otherwise noted, all views are based on trade date. Historical balances for some accounts may not be available for this period. Previous business day prices when available are displayed for externally held marketable securities. The amounts shown for assets not held by Bank of America and values shown for illiquid and other hard to value assets are for informational purposes only, may vary from values (if any) provided by the issuer or others, and may change. These investments may not be listed on any securities exchange or NASDAQ market, and investors may not be able to sell them or realize the amounts shown upon a sale or liquidation. Bank of America makes no representations as to the accuracy of the value(s) provided.

For those assets where Intraday Pricing is available, Last Updated reflects the valuation time/date. For those assets where Intraday Pricing is not available, the Prior Business Day date is displayed, which does not necessarily reflect the actual valuation date. Quantity is not updated for intraday activity and is based on prior close of business on a trade date basis.

Pending sales for shares not currently held are excluded from all views, reports and portfolio valuations, with the exception of the Activity report.

Financial 360



Bank of America Private Wealth Management

Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
Total Portfolio				1,488,895.87		1,812,250.01	339.31	323,354.14	23,965.63		100.00
CASH/CURRENCY				74,761.84		74,761.84	4.28	0.00	44.86	0.06	4.13
CASH EQUIVALENTS				74,761.84		74,761.84	4.28	0.00	44.86	0.06	4.13
BANK OF AMERICA TEMPORARY OVERNIGHT DEPOSIT	99Z490460	12,528.270	1.00	12,528.27	1.00	12,528.27	0.11	0.00	7.52	0.06	0.69
41161025874757 PAYNE FUND INC NO 2 NMA		12,528.270	1.00	12,528.27	1.00	12,528.27	0.11	0.00	7.52	0.06	0.69
BANK OF AMERICA MONEY MARKET SAVINGS ACCOUNT (INCOME INVESTMENT)	994458719	3,453.330	1.00	3,453.33	1.00	3,453.33	0.50	0.00	2.07	0.06	0.19
41161025874757 PAYNE FUND INC NO 2 NMA		3,453.330	1.00	3,453.33	1.00	3,453.33	0.50	0.00	2.07	0.06	0.19
BANK OF AMERICA MONEY MARKET SAVINGS ACCOUNT	994458719	58,780.240	1.00	58,780.24	1.00	58,780.24	3.67	0.00	35.27	0.06	3.24
41161025874757 PAYNE FUND INC NO 2 NMA		58,780.240	1.00	58,780.24	1.00	58,780.24	3.67	0.00	35.27	0.06	3.24
EQUITIES											
U S LARGE CAP				749,961.84		1,066,415.33	0.00	316,453.49	10,550.27	0.99	58.84
COLUMBIA DIVIDEND INCOME FUND CLASS Z SHARES(GSFT X)	19765N245	6,311.626	9.55	294,349.46	18.33	461,263.49	0.00	166,914.03	4,394.11	0.95	25.45
41161025874757 PAYNE FUND INC NO 2 NMA		6,311.626	9.55	60,250.86	18.33	115,692.10	0.00	55,441.24	2,240.63	1.94	6.38
41161025874757 PAYNE FUND INC NO 2 NMA		6,311.626	9.55	60,250.86	18.33	115,692.10	0.00	55,441.24	2,240.63	1.94	6.38

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Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
COLUMBIA SELECT LARGE CAP GROWTH FUND CLASS Z SHARES(UMLG X)	19765Y688	6,108,289	7.39	45,133.20	19.24	117,523.48	0.00	72,390.28	0.00	0.00	6.48
41161025874757 PAYNE FUND INC NO 2 NMA		6,108,289	7.39	45,133.20	19.24	117,523.48	0.00	72,390.28	0.00	0.00	6.48
MFS VALUE FUND CL (MFIJ X)	552983694	3,493,927	28.92	101,044.37	33.36	116,557.40	0.00	15,513.03	1,946.12	1.67	6.43
41161025874757 PAYNE FUND INC NO 2 NMA		3,493,927	28.92	101,044.37	33.36	116,557.40	0.00	15,513.03	1,946.12	1.67	6.43
TCW SELECT EQUITIES FUND CL I(TGCE X)	87234N302	4,411,971	19.93	87,921.03	25.27	111,490.51	0.00	23,569.48	207.36	0.19	6.15
41161025874757 PAYNE FUND INC NO 2 NMA		4,411,971	19.93	87,921.03	25.27	111,490.51	0.00	23,569.48	207.36	0.19	6.15
U S MID CAP				129,167.61		189,361.83	0.00	60,194.22	587.00	0.31	10.45
COLUMBIA MID CAP GROWTH FUND CLASS Z SHARES(CLSP X)	19765P232	3,016,767	16.84	50,807.77	31.66	95,510.84	0.00	44,703.07	27.15	0.03	5.27
41161025874757 PAYNE FUND INC NO 2 NMA		3,016,767	16.84	50,807.77	31.66	95,510.84	0.00	44,703.07	27.15	0.03	5.27
TOUCHSTONE MID CAP VALUE OPPORTUNITIES FUND(TMOI X)	89154X294	10,179,066	7.70	78,359.84	9.22	93,850.99	0.00	15,491.15	559.85	0.60	5.18
41161025874757 PAYNE FUND INC NO 2 NMA		10,179,066	7.70	78,359.84	9.22	93,850.99	0.00	15,491.15	559.85	0.60	5.18
U S SMALL CAP				86,046.12		113,466.55	0.00	27,420.43	247.01	0.22	6.26

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Bank of America Private Wealth Management

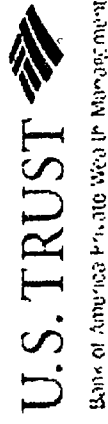
Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
CAMBIAR SMALL CAP FUND INV CL(CAMS X)	0075W0817	2,055,556	18.00	37,000.00	22.70	46,661.12	0.00	9,661.12	0.00	0.00	2.57
41161025874757 PAYNE FUND INC NO 2 NMA		2,055,556	18.00	37,000.00	22.70	46,661.12	0.00	9,661.12	0.00	0.00	2.57
EAGLE SM CAP GROWTH FUND CL I(HSII X)	269858304	819,530	40.87	33,494.17	58.15	47,655.67	0.00	14,161.50	12.29	0.03	2.63
41161025874757 PAYNE FUND INC NO 2 NMA		819,530	40.87	33,494.17	58.15	47,655.67	0.00	14,161.50	12.29	0.03	2.63
ISHARES RUSSELL 2000 ETF(IWM)	464287655	166	93.69	15,551.95	115.36	19,149.76	0.00	3,597.81	234.72	1.23	1.06
41161025874757 PAYNE FUND INC NO 2 NMA		166	93.69	15,551.95	115.36	19,149.76	0.00	3,597.81	234.72	1.23	1.06
INTERNATIONAL DEVELOPED				155,852.11		214,696.73	0.00	58,844.62	3,641.89	1.70	11.85
INVESTCO INTL GROWTH FUND CL Y(AIYY X)	008882532	3,244,061	27.84	90,311.40	33.90	109,973.67	0.00	19,662.27	1,437.12	1.31	6.07
41161025874757 PAYNE FUND INC NO 2 NMA		3,244,061	27.84	90,311.40	33.90	109,973.67	0.00	19,662.27	1,437.12	1.31	6.07
HARBOR INTERNATIONAL FUND INSTL CL(HAIN X)	411511306	1,474,765	44.44	65,540.71	71.01	104,723.06	0.00	39,182.35	2,204.77	2.11	5.78
41161025874757 PAYNE FUND INC NO 2 NMA		1,474,765	44.44	65,540.71	71.01	104,723.06	0.00	39,182.35	2,204.77	2.11	5.78
EMERGING MARKETS				84,546.54		87,626.73	0.00	3,080.19	1,680.26	1.92	4.84

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Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
LAZARD EMERGING MKTS EQUITY PORTFOLIO INSTL CL(LZEM X)	52106N889	4,693.451	18.01	84,546.54	18.67	87,626.73	0.00	3,080.19	1,680.26	1.92	4.84
41161025874757 PAYNE FUND INC NO 2 NMA		4,693.451	18.01	84,546.54	18.67	87,626.73	0.00	3,080.19	1,680.26	1.92	4.84
FIXED INCOME											
INVESTMENT GRADE TAXABLE				339,989.45		346,973.29	335.03	6,983.84	10,410.32	3.00	19.15
				252,290.07		252,131.01	335.03	(159.06)	5,015.99	1.99	13.91
COLUMBIA SHORT TERM BOND FUND CLASS Z SHARES(NSTM X)	19765H362	7,869.398	9.80	77,124.55	9.96	78,379.20	68.38	1,254.65	692.51	0.88	4.32
41161025874757 PAYNE FUND INC NO 2 NMA		7,869.398	9.80	77,124.55	9.96	78,379.20	68.38	1,254.65	692.51	0.88	4.32
PIMCO TOTAL RETURN FUND INSTL(PTTR X)	693390700	16,253.677	10.78	175,165.52	10.69	173,751.81	266.65	(1,413.71)	4,323.48	2.49	9.59
41161025874757 PAYNE FUND INC NO 2 NMA		16,253.677	10.78	175,165.52	10.69	173,751.81	266.65	(1,413.71)	4,323.48	2.49	9.59
INTERNATIONAL DEVELOPED BONDS				44,998.49		43,309.77	0.00	(1,688.72)	1,697.32	3.92	2.39
TEMPLETON GLOBAL BD FUND ADVISOR CL(TGBA X)	880208400	3,308.615	13.60	44,998.49	13.09	43,309.77	0.00	(1,688.72)	1,697.32	3.92	2.39
41161025874757 PAYNE FUND INC NO 2 NMA		3,308.615	13.60	44,998.49	13.09	43,309.77	0.00	(1,688.72)	1,697.32	3.92	2.39
GLOBAL HIGH YIELD TAXABLE				42,700.89		51,532.51	0.00	8,831.62	3,697.01	7.17	2.84

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Bank of America Private Wealth Management

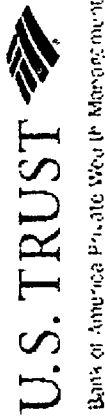
Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
ARTIO GLOBAL HIGH INCOME FUND CL (JHY1 X)	04315J860	5,127.613	8.33	42,700.89	10.05	51,532.51	0.00	8,831.62	3,697.01	7.17	2.84
41161025874757 PAYNE FUND INC NO 2 NMA		5,127.613	8.33	42,700.89	10.05	51,532.51	0.00	8,831.62	3,697.01	7.17	2.84
HEDGE FUNDS											
HEDGE FUNDS SPECIFIC STRATEGY				179,826.33		188,298.36	0.00	8,472.03	1,440.18	0.76	10.39
41161025874757 PAYNE FUND INC NO 2 NMA		3,985.925	10.68	42,581.32	10.81	43,087.85	0.00	506.53	566.00	1.31	2.38
BLACKROCK GLOBAL LONG/SHORT CR FUND INSTL SHS(BGCI X)	091936732	3,985.925	10.68	42,581.32	10.81	43,087.85	0.00	506.53	566.00	1.31	2.38
41161025874757 PAYNE FUND INC NO 2 NMA		5,115.090	11.73	60,000.00	11.80	60,358.06	0.00	358.06	20.46	0.03	3.33
HATTERAS ALPHA HEDGED STRATEGIES FUND INS SHS(ALPX)	41902V872	5,115.090	11.73	60,000.00	11.80	60,358.06	0.00	358.06	20.46	0.03	3.33
41161025874757 PAYNE FUND INC NO 2 NMA		7,423.661	10.41	77,245.01	11.43	84,852.45	0.00	7,607.44	853.72	1.01	4.68
NATIXIS FDS TR II ASG GLOBAL ALTERNATIVES FUND CL Y(GAFY X)	63872T885	7,423.661	10.41	77,245.01	11.43	84,852.45	0.00	7,607.44	853.72	1.01	4.68
41161025874757 PAYNE FUND INC NO 2 NMA		7,423.661	10.41	77,245.01	11.43	84,852.45	0.00	7,607.44	853.72	1.01	4.68
REAL ESTATE											
PUBLIC REITS				90,453.65		84,114.59	0.00	(6,339.06)	1,520.00	1.81	4.64
41161025874757 PAYNE FUND INC NO 2 NMA		6,055.766	14.94	90,453.65	13.89	84,114.59	0.00	(6,339.06)	1,520.00	1.81	4.64
NATIXIS FDS TR IV AEW REAL ESTATE FD CL Y COM(NRFY X)	63872W409	6,055.766	14.94	90,453.65	13.89	84,114.59	0.00	(6,339.06)	1,520.00	1.81	4.64

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Investment Management, Trust & Custody Accounts Holdings by Security

As of Close of Business 05/29/2014

Report Date: December-2013

Security/Account	CUSIP	Quantity	Unit Cost	Fed Tax Cost	Price	Market Value	Accrued Income	Unrealized Gain/(Loss)	Est Annual Income	Yield	% of Portfolio
41161025874757 PAYNE FUND INC NO 2 NMA		6,055,766	14.94	90,453.65	13.89	84,114.59	0.00	(6,339.06)	1,520.00	1.81	4.64
TANGIBLE ASSETS											
COMMODITIES											
CREDIT SUISSE COMMODITY-RETURN STRATEGY FUND CL I(CRSO X)	22544R305	7,148,907	7.54	53,902.76	7.23	51,686.60	0.00	(2,216.16)	0.00	0.00	2.85
41161025874757 PAYNE FUND INC NO 2 NMA		7,148,907	7.54	53,902.76	7.23	51,686.60	0.00	(2,216.16)	0.00	0.00	2.85

I closed account

*SD - settlement date basis account holdings

When viewing Holdings by Account, the Total Portfolio may include more than the aggregated market values of the accounts displayed on the report

Unless otherwise noted, all views are based on trade date. Historical balances for some accounts may not be available for this period. Previous business day prices when available are displayed for externally held marketable securities. The amounts shown for assets not held by Bank of America and values shown for illiquid and other hard to value assets are for informational purposes only, may vary from values (if any) provided by the issuer or others, and may change. These investments may not be listed on any securities exchange or NASDAQ market, and investors may not be able to sell them or realize the amounts shown upon a sale or liquidation. Bank of America makes no representations as to the accuracy of the value(s) provided.

For those assets where Intraday Pricing is available, Last Updated reflects the valuation time/date. For those assets where Intraday Pricing is not available, the Prior Business Day date is displayed, which does not necessarily reflect the actual valuation date. Quantity is not updated for intraday activity and is based on prior close of business on a trade date basis.

Pending sales for shares not currently held are excluded from all views, reports and portfolio valuations, with the exception of the Activity report.

Portions of the estimated annual income may not reflect actual income received or income for tax reporting purposes.

Income and cost-basis information should not be used to make investment decisions without first consulting your Bank of America professional, personal tax or legal advisor. This information is not intended as an offer to provide trust or investment services in states where Bank of America is not authorized to do so.

Where you maintain investment discretion in your account, we suggest you consult your personal tax advisor before making tax-related investment decisions. Portions of the estimated annual income may not reflect actual income received or income for tax reporting purposes.

ATTACHMENT 8

FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
VENTURE CAPITAL FUND	114,148.	160,356.	160,356.
TOTALS	<u>114,148.</u>	<u>160,356.</u>	<u>160,356.</u>

ATTACHMENT 9

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
UNREALIZED GAIN ON SECURITIES	290,251.
TOTAL	<u>290,251.</u>

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

ATTACHMENT 10

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MR. CHARLES P. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	SECRETARY/TREASURER 1.00	0	0	0
MR. JOHN B. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0	0	0
MR. KENYON C. BOLTON, III 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0	0	0
MR. PHILLIP P. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0	0	0
MR. THOMAS C. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0	0	0
MR. WILLIAM B. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0	0	0

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

ATTACHMENT 10 (CONT'D)

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
MRS. BARBARA B. GRATRY 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	PRESIDENT 1.00	0	0	0
MRS. MARY B. HOOPER 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0	0	0
<u>GRAND TOTALS</u>		<u>0</u>	<u>0</u>	<u>0</u>

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR
AND
FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE ATTACHED

SEE ATTACHED
SEE ATTACHED

809,000.

TOTAL CONTRIBUTIONS PAID

809,000.

<u>Grantee</u>	<u>Relationship</u>	<u>Purpose</u>	<u>Status of Recipient</u>	<u>Amount</u>
AIM HIGH	NONE	GENERAL	PUBLIC	5,000.00
AMERICAN COLLEGE OF GREECE	NONE	GENERAL	PUBLIC	25,000 00
ARENA THEATRE ASSOCIATION	NONE	GENERAL	PUBLIC	2,500 00
ASHEVILLE SYMPHONY ORCHESTRA	NONE	ANNUAL FUND	PUBLIC	2,500.00
ASHEVILLE SYMPHONY ORCHESTRA	NONE	GUEST SOLOIST	PUBLIC	2,500.00
ASHEVILLE SYMPHONY ORCHESTRA	NONE	CHALLENGE GRANT	PUBLIC	25,000.00
BASCOM-PALMER EYE INSTITUTE	NONE	GENERAL	PUBLIC	1,500.00
BREVARD MUSIC CENTER	NONE	GENERAL	PUBLIC	20,000 00
CLEVELAND INSTITUTE OF MUSIC	NONE	GENERAL	PUBLIC	25,000 00
CLEVELAND INSTITUTE OF MUSIC	NONE	CAPITAL CAMPAIGN	PUBLIC	45,000.00
CLEVELAND MUSEUM OF ART	NONE	ANNUAL FUND	PUBLIC	10,000 00
CLEVELAND MUSEUM OF ART	NONE	BUILDING PROJECT	PUBLIC	100,000.00
CLEVELAND MUSEUM OF NATURAL HISTORY	NONE	GENERAL	PUBLIC	25,000 00
CLEVELAND PLAYHOUSE	NONE	CASE MFA PROGRAM	PUBLIC	50,000.00
DECORATIVE ARTS CENTER OF OHIO	NONE	GENERAL	PUBLIC	10,000 00
DEDHAM LAND TRUST	NONE	GENERAL	PUBLIC	2,500.00
EL SISTEMA	NONE	GENERAL	PUBLIC	25,000.00
FLORIDA TV	NONE	GENERAL	PUBLIC	500 00
FPB SCHOOL OF NURSING	NONE	MAY WYKLE PROFESSORSHIP	PUBLIC	37,500 00
FRIENDS OF BREAKTHROUGH SCHOOLS	NONE	GENERAL	PUBLIC	25,000.00
FRIENDS OF ST. JOHN'S CHURCH	NONE	GENERAL	PUBLIC	12,500.00
GEORGIA INSTITUTE OF TECHNOLOGY	NONE	GENERAL	PUBLIC	10,000.00
GEORGIA STATE UNIVERSITY FOUNDATION	NONE	GENERAL	PUBLIC	25,000 00
GROTON SCHOOL	NONE	GENERAL	PUBLIC	12,500 00
HAWKEN SCHOOL	NONE	GENERAL	PUBLIC	25,000.00
HELEN MOSS CANCER RESEARCH	NONE	GENERAL	PUBLIC	25,000.00
MAINE TV	NONE	GENERAL	PUBLIC	500 00
MISS PORTER SCHOOL	NONE	GENERAL	PUBLIC	25,000 00
MOUNT VERNON LADIES ASSOCIATION	NONE	GENERAL	PUBLIC	2,500 00
MUSEUM OF CONTEMPORARY ART CLEVELAND	NONE	GENERAL	PUBLIC	12,500.00
MUSICAL ARTS ASSOCIATION	NONE	ANNUAL FUND	PUBLIC	25,000 00
MUSICAL ARTS ASSOCIATION	NONE	ENDOWMENT	PUBLIC	100,000.00
MUSICAL ARTS ASSOCIATION	NONE	CLEVELAND ORCHESTRA FUND	PUBLIC	25,000.00
NEW BRIDGE	NONE	GENERAL	PUBLIC	25,000.00
PALM BEACH COUNTY LITERACY COALITION	NONE	GENERAL	PUBLIC	500.00
PINE JOG ENVIRONMENTAL EDUCATIONAL CENTER	NONE	FAU Foundation	PUBLIC	1,250 00
PORTLAND MUSEUM OF ART	NONE	Homer Project	PUBLIC	1,000 00
SOCIETY OF THE FOUR ARTS	NONE	GENERAL	PUBLIC	10,000.00
TAHOE FUND	NONE	WEST SHORE BIKE TRAIL	PUBLIC	5,000.00
URBAN SCHOOL	NONE	GENERAL	PUBLIC	10,000 00
URBAN SCHOOL	NONE	MARK SALKIND SCHOLARSHIP	PUBLIC	2,500.00
WESTERN RESERVE HISTORICAL SOCIETY	NONE	GENERAL	PUBLIC	12,500.00
WESTERN RESERVE HISTORICAL SOCIETY	NONE	COSTUME COLLECTION	PUBLIC	1,250 00
				<u>809,000.00</u>

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 12

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CLEVELAND MUSEUM OF ART	NONE PUBLIC	BUILDING PROJECT	300,000.
CLEVELAND INSTITUTE OF MUSIC	NONE PUBLIC	CAPITAL CAMPAIGN	75,000.
FRANCES PAYNE BOLTON SCHOOL OF NURSING	NONE PUBLIC	MAY WYKLE PROFESSORSHIP	1,000,000.
MUSICAL ARTS ASSOCIATION	NONE PUBLIC	GENERAL	800,000.
CLEVELAND PLAY HOUSE	NONE PUBLIC	CASE MFA PROGRAM	50,000.
AMERICAN COLLEGE OF GREECE	NONE PUBLIC	GENERAL	100,000.

THE PAYNE FUND

13-5563006

FORM 990PE, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 12 (CONT'D)

<u>RECIPIENT NAME AND ADDRESS</u>	<u>RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT</u>	<u>PURPOSE OF GRANT OR CONTRIBUTION</u>	<u>AMOUNT</u>
CLEVELAND MUSEUM OF NATURAL HISTORY	NONE PUBLIC	GENERAL	225,000.
MUSEUM OF CONTEMPORARY ART CLEVELAND	NONE PUBLIC	GENERAL	6,250.
MISS PORTER SCHOOL	NONE PUBLIC	GENERAL	25,000.
UNIVERSITY SCHOOL	NONE PUBLIC	CAPITAL CAMPAIGN	250,000.
FRIENDS OF ST. JOHN'S CHURCH	NONE	GENERAL	12,500.
FRIENDS OF BREAKTHROUGH SCHOOLS	NONE	GENERAL	25,000.

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
WESTERN RESERVE HISTORICAL SOCIETY	NONE	GENERAL	12,500.
HAWKEN SCHOOL	NONE	GENERAL	225,000.
ASHVILLE SYMPHONY ORCHESTRA	NONE	CHALLENGE GRANT	25,000.
TOTAL CONTRIBUTIONS APPROVED			<u>3,131,250.</u>

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
TOTAL GAIN (LOSS)							<u>178,946.</u>	
SEE ATTACHED								

The Payne Fund
 Realized Gain (Loss) Summary
 12/31/2013

	<u>PROCEEDS</u>	<u>COST</u>	<u>Realized Gain (Loss)</u>
SUMMARIZED ATTACHED:	1,006,588	978,713	27,875
SUMMARIZED ATTACHED:	704,066	691,803	12,263
Miscellaneous Capital Gains Distributions	75,069		75,069
Miscellaneous Capital Gains Distributions	63,739		63,739
TOTAL	<u>1,849,462</u>	<u>1,670,516</u>	<u>178,946</u>

SALES

PROCEEDS FROM SALES

04-25-2013/
04-26-2013

00203H602

PROCEEDS REDEMPTION 3,663,739
UNITS @ 11,1600 AGR DIVERSIFIED
ARBITRAGE FUND CL I BROKER
MUTUAL FUND AGENT

(3,663,739)

0 00

40,887 33

(40,922 79)

27 00

(62 46)

PAYNE FUND INC NO
1 NMA

Financial 360



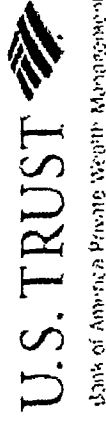
Investment Management, Trust & Custody Accounts Activity

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 - To- 12/31/2013

Trade Date/ Settlement Date	CUSIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short-Term Gain/(Loss)	Realized Long-Term Gain/(Loss)	Realized Account Number/Title
04-25-2013/ 04-26-2013	19765H362	PROCEEDS REDEMPTION 748.503 UNITS @ 10 0199 COLUMBIA SHORT TERM BOND FUND CLASS Z SHARES BROKER. MUTUAL FUND AGENT	(748 503)	0.00	7,500.00	(7,335.84)	0.00	164.16	PAYNE FUND INC NO 1 NMA
04-25-2013/ 04-26-2013	19765Y688	PROCEEDS REDEMPTION 1,304.631 UNITS @ 15 3300 COLUMBIA SELECT LARGE CAP GROWTH FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(1,304 631)	0.00	20,000.00	(14,623.67)	1,272.06	4,104.27	PAYNE FUND INC NO 1 NMA
04-25-2013/ 04-26-2013	277905642	PROCEEDS REDEMPTION 4,869.794 UNITS @ 21.6600 EATON VANCE LARGE-CAP VALUE FUND CLASS Z BROKER: MUTUAL FUND AGENT	(4,869 794)	0.00	105,479.74	(83,078.69)	0.00	22,401.05	PAYNE FUND INC NO 1 NMA
04-25-2013/ 04-26-2013	693390700	PROCEEDS REDEMPTION 5,742.049 UNITS @ 11 3200 PIMCO TOTAL RETURN FUND INSTL BROKER MUTUAL FUND AGENT	(5,742 049)	0.00	65,000.00	(62,071.55)	0.00	2,928.45	PAYNE FUND INC NO 1 NMA
04-25-2013/ 04-30-2013	78464A417	04/25 SALE 483.00 SHR @ 41.5289000 MISC 45 COMM 12.07 SPDR BARCLAYS HIGH YIELD BOND ETF BROKER: GOLDMAN, SACHS & CO.	(483)	0.00	20,045.93	(19,153.37)	0.00	892.56	PAYNE FUND INC NO 1 NMA
08-26-2013/ 08-27-2013	722005667	PROCEEDS REDEMPTION 18,127.428 UNITS @ 5.8300 PIMCO COMMODITY REALRETURN STRATEGY FUND BROKER MUTUAL FUND AGENT	(18,127 428)	0.00	105,682.91	(142,412.72)	(3,623.59)	(33,106.22)	PAYNE FUND INC NO 1 NMA
09-03-2013/ 09-04-2013	197199813	PROCEEDS REDEMPTION 517.808 UNITS @ 43.9000 COLUMBIA ACORN INTERNATIONAL FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(517 808)	0.00	22,731.77	(10,899.86)	0.00	11,831.91	PAYNE FUND INC NO 1 NMA
09-03-2013/ 09-06-2013	464287655	09/03 SALE 198.00 SHR @ 101.029200 MISC 35 COMM 4.95 ISHARES RUSSELL 2000 ETF BROKER: GOLDMAN, SACHS & CO	(198)	0.00	19,998.48	(18,549.91)	1,448.57	0.00	PAYNE FUND INC NO 1 NMA

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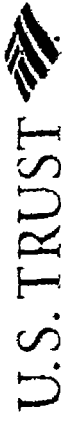
**Investment Management, Trust & Custody
Accounts Activity**

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 -To- 12/31/2013

Trade/Date/ Settlement/Date	CUSIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short-Term Gain/(Loss)	Realized Long-Term Gain/(Loss)	Account Number/Title
09-03-2013/ 09-04-2013	552983694	PROCEEDS REDEMPTION 249 169 UNITS @ 30.1000 MFS VALUE FUND CL I BROKER MUTUAL FUND AGENT	(249 169)	0 00	7,500 00	(7,205.97)	294.03	0 00	PAYNE FUND INC NO 1 NMA
09-03-2013/ 09-04-2013	72201F409	PROCEEDS REDEMPTION 2,231 316 UNITS @ 9 8600 PIMCO EMERGING MKT CURRENCY FUND INSTL BROKER MUTUAL FUND AGENT	(2,231 316)	0 00	22,000 78	(22,294.55)	0 00	(293 77)	PAYNE FUND INC NO 1 NMA
12-09-2013/ 12-10-2013	091936732	PROCEEDS REDEMPTION 2,788 104 UNITS @ 10 7600 BLACKROCK GLOBAL LONG/SHORT CR FUND INSTL SHS BROKER MUTUAL FUND AGENT	(2,788 104)	0 00	30,000.00	(29,804.83)	195 17	0 00	PAYNE FUND INC NO 1 NMA
12-09-2013/ 12-10-2013	19765N245	PROCEEDS REDEMPTION 273 523 UNITS @ 18 2799 COLUMBIA DIVIDEND INCOME FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(273 523)	0 00	5,000 00	(4,581 52)	418 48	0 00	PAYNE FUND INC NO 1 NMA
12-09-2013/ 12-10-2013	22544R305	PROCEEDS REDEMPTION 3,448 276 UNITS @ 7 2499 CREDIT SUISSE COMMODITY-RETURN STRATEGY FUND CL I BROKER MUTUAL FUND AGENT	(3,448 276)	0 00	25,000.00	(26,000 00)	(1,000.00)	0 00	PAYNE FUND INC NO 1 NMA
12-09-2013/ 12-10-2013	52106N889	PROCEEDS REDEMPTION 2,061 856 UNITS @ 19 3999 LAZARD EMERGING MKTS EQUITY PORTFOLIO INSTL CL BROKER MUTUAL FUND AGENT	(2,061 856)	0 00	40,000.00	(38,858.49)	0 00	1,141 51	PAYNE FUND INC NO 1 NMA
12-09-2013/ 12-10-2013	72201P100	PROCEEDS REDEMPTION 6,292 249 UNITS @ 10 2900 PIMCO GLOBAL MULT-ASSET FUND INSTL CL BROKER MUTUAL FUND AGENT	(6,292 249)	0 00	64,747 24	(71,463 06)	58 65	(6,774.47)	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	008882532	PROCEEDS REDEMPTION 770 654 UNITS @ 32 4399 INVESCO INTL GROWTH FUND CL Y BROKER MUTUAL FUND AGENT	(770 654)	0 00	25,000 00	(25,662 78)	(662 78)	0 00	PAYNE FUND INC NO 1 NMA

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Bank of America Private Wealth Management

**Investment Management, Trust & Custody
Accounts Activity**

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 - To- 12/31/2013

Trade Date/ Settlement Date	CU/SIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short Term Gain/(Loss)	Realized Long Term Gain/(Loss)	Account Number/Title
12-17-2013/ 12-18-2013	091936732	PROCEEDS REDEMPTION 928.505 UNITS @ 10 7700 BLACKROCK GLOBAL LONG/SHORT CR FUND INSTL SHS BROKER MUTUAL FUND AGENT	(928 505)	0 00	10,000 00	(9,925 72)	74.28	0.00	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	19765H362	PROCEEDS REDEMPTION 5,015 045 UNITS @ 9 9700 COLUMBIA SHORT TERM BOND FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(5,015 045)	0 00	50,000 00	(50,000 00)	0 00	0 00	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	19765N245	PROCEEDS REDEMPTION 1,416.431 UNITS @ 17.6499 COLUMBIA DIVIDEND INCOME FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(1,416 431)	0 00	25,000 00	(21,015.38)	22 49	3,962 13	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	19765P232	PROCEEDS REDEMPTION 492 287 UNITS @ 30 4700 COLUMBIA MID CAP GROWTH FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(492 287)	0 00	15,000 00	(13,716.05)	0 00	1,283 95	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	19765Y688	PROCEEDS REDEMPTION 1,357.220 UNITS @ 18.4200 COLUMBIA SELECT LARGE CAP GROWTH FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(1,357 220)	0 00	25,000 00	(11,022 18)	0 00	13,977.82	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	22544R305	PROCEEDS REDEMPTION 2,762 431 UNITS @ 7 2399 CREDIT SUISSE COMMODITY-RETURN STRATEGY FUND CL 1 BROKER. MUTUAL FUND AGENT	(2,762 431)	0 00	20,000 00	(20,828 73)	(828.73)	0 00	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	411511306	PROCEEDS REDEMPTION 369 713 UNITS @ 67.6200 HARBOR INTERNATIONAL FUND INSTL CL BROKER MUTUAL FUND AGENT	(369 713)	0 00	25,000 00	(25,964 92)	(964 92)	0 00	PAYNE FUND INC NO 1 NMA

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Bank of America Private Wealth Management

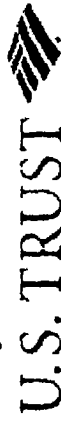
**Investment Management, Trust & Custody
Accounts Activity**

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 - To- 12/31/2013

Trade Date/ Settlement Date	CUSIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short-Term Gain/(Loss)	Realized Long-Term Gain/(Loss)	Account Number/Title
12-17-2013/ 12-20-2013	464287655	12/17 SALE 180 00 SHR @ 111 130000 MISC 35 COMM 4 50 ISHARES RUSSELL 2000 ETF BROKER J P MORGAN SECURITIES INC	(180)	0 00	19,998 55	(19,357 26)	641 29	0 00	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	52106N889	PROCEEDS REDEMPTION 1,309 586 UNITS @ 19 0900 LAZARD EMERGING MKTS EQUITY PORTFOLIO INSTL CL BROKER MUTUAL FUND AGENT	(1,309.586)	0 00	25,000 00	(23,562.66)	0 00	1,437 34	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	552983694	PROCEEDS REDEMPTION 783 208 UNITS @ 31 9200 MFS VALUE FUND CL I BROKER MUTUAL FUND AGENT	(783.208)	0 00	25,000 00	(22,650 37)	2,349 63	0 00	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	63872T885	PROCEEDS REDEMPTION 2,122 241 UNITS @ 11 7800 NATIXIS FDS TR II ASG GLOBAL ALTERNATIVES FUND BROKER MUTUAL FUND AGENT	(2,122 241)	0 00	25,000 00	(23,374.49)	140.93	1,484 58	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	63872W409	12/17 SALE 1,428 571 SHR @ 17 5000052 COMM/FEEES 00 DEFER LOSS OF 1710 68 NATIXIS FDS TR IV AEW REAL ESTATE FD CL Y COM BROKER MUTUAL FUND AGENT	(1,428 571)	0 00	25,000 00	(25,224.37)	(224 37)	0 00	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	693390700	PROCEEDS REDEMPTION 2,785.515 UNITS @ 10 7700 PIMCO TOTAL RETURN FUND INSTL BROKER MUTUAL FUND AGENT	(2,785 515)	0 00	30,000 00	(30,111 42)	0 00	(111 42)	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-20-2013	78464A417	12/17 SALE 493 00 SHR @ 40 6253000 MISC 35 COMM 12 33 SPDR BARCLAYS HIGH YIELD BOND ETF BROKER BARCLAYS CAPITAL LE	(493)	0 00	20,015 59	(19,549.91)	0 00	465 68	PAYNE FUND INC NO 1 NMA
12-17-2013/ 12-18-2013	87234N302	PROCEEDS REDEMPTION 989 315 UNITS @ 25.2700 TCW SELECT EQUITIES FUND CL I BROKER MUTUAL FUND AGENT	(989.315)	0 00	25,000 00	(22,160 27)	2,839 73	0 00	PAYNE FUND INC NO 1 NMA

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Bank of America Private Wealth Management

**Investment Management, Trust & Custody
Accounts Activity**

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 -To- 12/31/2013

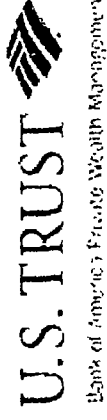
Trade Date/ Settlement Date	CUSIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short Term Gain/(Loss)	Realized Long Term Gain/(Loss)	Account Number/Title
12-17-2013/ 12-18-2013	880208400	12/17 SALE 1,152,074 SHR @ 13.0199969 COMM/FEES 00 DEFER LOSS OF 326.84 TEMPLETON GLOBAL BD FUND ADVISOR CL BROKER. MUTUAL FUND AGENT	(1,152,074)	0.00	15,000.00	(15,329.85)	(329.85)	0.00	PAYNE FUND INC NO 1 NMA
TOTAL PROCEEDS FROM SALES							2,148.07	25,727.07	

SALES

PROCEEDS FROM SALES

04-25-2013/ 04-26-2013	00203H602	PROCEEDS REDEMPTION 2,769.193 UNITS @ 11 1600 AQR DIVERSIFIED ARBITRAGE FUND CL I BROKER. MUTUAL FUND AGENT	(2,769.193)	0.00	30,904.19	(30,991.35)	0.00	(87.16)	PAYNE FUND INC NO 2 NMA
04-25-2013/ 04-26-2013	277905642	PROCEEDS REDEMPTION 3,748.401 UNITS @ 21 6600 EATON VANCE LARGE-CAP VALUE FUND CL I BROKER: MUTUAL FUND AGENT	(3,748.401)	0.00	81,190.37	(63,947.71)	0.00	17,242.66	PAYNE FUND INC NO 2 NMA
04-25-2013/ 04-30-2013	78464A417	04/25 SALE 1,133.00 SHR @ 41.5289000 MISC 1.06 COMM 28.33 SPDR BARCLAYS HIGH YIELD BOND ETF BROKER GOLDMAN, SACHS & CO	(1,133)	0.00	47,022.86	(44,900.46)	0.00	2,122.40	PAYNE FUND INC NO 2 NMA
08-26-2013/ 08-27-2013	722005667	PROCEEDS REDEMPTION 16,481.580 UNITS @ 5.8300 PIMCO COMMODITY REALRETURN STRATEGY FUND BROKER MUTUAL FUND AGENT	(16,481.580)	0.00	96,087.61	(124,203.63)	(3,937.91)	(24,178.11)	PAYNE FUND INC NO 2 NMA

Financial 360



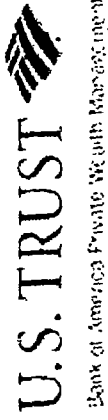
**Investment Management, Trust & Custody
Accounts Activity**

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 -To- 12/31/2013

Trade Date/ Settlement Date	Quantity	Income Amount	Principal Amount	Cost	Realized Short Term Gain/(Loss)	Realized Long Term Gain/(Loss)	Account Number/Title
09-03-2013/ 09-04-2013	(399.004)	0.00	17,516.28	(8,399.04)	0.00	9,117.24	PAYNE FUND INC NO 2 NMA
							PROCEEDS REDEMPTION 399.004 UNITS @ 43.9000 COLUMBIA ACORN INTERNATIONAL FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT
09-03-2013/ 09-04-2013	(85.780)	0.00	4,500.00	(3,505.83)	0.00	994.17	PAYNE FUND INC NO 2 NMA
							PROCEEDS REDEMPTION 85.780 UNITS @ 52.4597 EAGLE SM CAP GROWTH FUND CL I BROKER MUTUAL FUND AGENT
09-03-2013/ 09-06-2013	(74)	0.00	7,474.18	(6,932.79)	541.39	0.00	PAYNE FUND INC NO 2 NMA
							09/03 SALE 74.00 SHR @ 101.029200 MISC 13 COMM 1.85 ISHARES RUSSELL 2000 ETF BROKER: GOLDMAN, SACHS & CO
09-03-2013/ 09-04-2013	(1,487.202)	0.00	14,663.81	(14,859.62)	0.00	(195.81)	PAYNE FUND INC NO 2 NMA
							PROCEEDS REDEMPTION 1,487.202 UNITS @ 9.8600 PIMCO EMERGING MKT CURRENCY FUND INSTL BROKER: MUTUAL FUND AGENT
12-09-2013/ 12-10-2013	(1,161.710)	0.00	12,500.00	(12,418.68)	81.32	0.00	PAYNE FUND INC NO 2 NMA
							PROCEEDS REDEMPTION 1,161.710 UNITS @ 10.7600 BLACKROCK GLOBAL LONG/SHORT CR FUND INSTL SHS BROKER: MUTUAL FUND AGENT
12-09-2013/ 12-10-2013	(3,793.103)	0.00	27,500.00	(28,600.00)	(1,100.00)	0.00	PAYNE FUND INC NO 2 NMA
							PROCEEDS REDEMPTION 3,793.103 UNITS @ 7.2500 CREDIT SUISSE COMMODITY-RETURN STRATEGY FUND CL I BROKER MUTUAL FUND AGENT
12-09-2013/ 12-10-2013	(1,546.392)	0.00	30,000.00	(29,759.93)	30.98	209.09	PAYNE FUND INC NO 2 NMA
							PROCEEDS REDEMPTION 1,546.392 UNITS @ 19.3999 LAZARD EMERGING MKTS EQUITY PORTFOLIO INSTL CL BROKER MUTUAL FUND AGENT
12-09-2013/ 12-10-2013	(2,308.403)	0.00	25,000.00	(24,953.84)	0.00	46.16	PAYNE FUND INC NO 2 NMA
							PROCEEDS REDEMPTION 2,308.403 UNITS @ 10.8299 PIMCO TOTAL RETURN FUND INSTL BROKER MUTUAL FUND AGENT

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**Investment Management, Trust & Custody
Accounts Activity**

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 -To- 12/31/2013

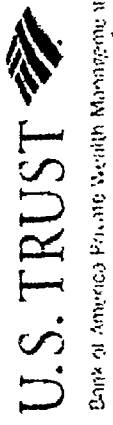
Trade Date/ Settlement Date	CUSIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short Term Gain/(Loss)	Realized Long Term Gain/(Loss)	Account Number/Title
12-09-2013/ 12-10-2013	72201P100	PROCEEDS REDEMPTION 5,608.099 UNITS @ 10 2900 PIMCO GLOBAL MULTI-ASSET FUND INSTL CL BROKER MUTUAL FUND AGENT	(5,608.099)	0.00	57,707.34	(63,494.00)	(721.14)	(5,065.52)	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	008882532	PROCEEDS REDEMPTION 462.392 UNITS @ 32 4400 INVESCO INTL GROWTH FUND CL Y BROKER MUTUAL FUND AGENT	(462.392)	0.00	15,000.00	(15,397.65)	(397.65)	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	04315J860	PROCEEDS REDEMPTION 737.463 UNITS @ 10.1700 ARTIO GLOBAL HIGH INCOME FUND CL I BROKER MUTUAL FUND AGENT	(737.463)	0.00	7,500.00	(7,492.62)	7.38	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	19765H362	PROCEEDS REDEMPTION 2,006.018 UNITS @ 9.9700 COLUMBIA SHORT TERM BOND FUND CLASS Z SHARES BROKER. MUTUAL FUND AGENT	(2,006.018)	0.00	20,000.00	(20,000.00)	0.00	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	19765N245	PROCEEDS REDEMPTION 1,133.144 UNITS @ 17 6500 COLUMBIA DIVIDEND INCOME FUND CLASS Z SHARES BROKER. MUTUAL FUND AGENT	(1,133.144)	0.00	20,000.00	(17,647.69)	440.70	1,911.61	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	19765Y688	PROCEEDS REDEMPTION 1,357.220 UNITS @ 18 4200 COLUMBIA SELECT LARGE CAP GROWTH FUND CLASS Z SHARES BROKER MUTUAL FUND AGENT	(1,357.220)	0.00	25,000.00	(14,043.27)	0.00	10,956.73	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	22544R305	PROCEEDS REDEMPTION 1,657.459 UNITS @ 7.2399 CREDIT SUISSE COMMODITY-RETURN STRATEGY FUND CL I BROKER. MUTUAL FUND AGENT	(1,657.459)	0.00	12,000.00	(12,497.24)	(497.24)	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	411511306	PROCEEDS REDEMPTION 221.828 UNITS @ 67 6199 HARBOR INTERNATIONAL FUND INSTL CL BROKER MUTUAL FUND AGENT	(221.828)	0.00	15,000.00	(15,578.99)	(578.99)	0.00	PAYNE FUND INC NO 2 NMA

Financial 360

**Investment Management, Trust & Custody
Accounts Activity**

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 - To- 12/31/2013



Trade Date/ Settlement Date	SLIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short-Term Gain/(Loss)	Realized Long-Term Gain/(Loss)	Account Number/Title
12-17-2013/ 12-20-2013	464287655	12/17 SALE 90 00 SHR @ 111 130000 MISC 18 COMM 2.25 ISHARES RUSSELL 2000 ETF BROKER: J.P MORGAN SECURITIES INC	(90)	0.00	9,999.27	(9,604.20)	395.07	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	52106N889	PROCEEDS REDEMPTION 785 752 UNITS @ 19 0899 LAZARD EMERGING MKTS EQUITY PORTFOLIO INSTL CL BROKER MUTUAL FUND AGENT	(785 752)	0.00	15,000.00	(14,709.43)	0.00	290.57	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	552983694	PROCEEDS REDEMPTION 626 566 UNITS @ 31 9200 MFS VALUE FUND CL I BROKER. MUTUAL FUND AGENT	(626 566)	0.00	20,000.00	(18,955.63)	1,044.37	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	63872T885	PROCEEDS REDEMPTION 1,061 121 UNITS @ 11 7799 NATIXIS FDS TR II ASG GLOBAL ALTERNATIVES FUND BROKER. MUTUAL FUND AGENT	(1,061.121)	0.00	12,500.00	(11,904.39)	542.83	52.76	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	63872W409	12/17 SALE 714 286 SHR @ 17 4999930 COMM/FEES 00 DEFER LOSS OF 1651.78 NATIXIS FDS TR IV AEW REAL ESTATE FD CL Y COM BROKER. MUTUAL FUND AGENT	(714 286)	0.00	12,500.00	(12,500.00)	0.00	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	693390700	PROCEEDS REDEMPTION 3,249 768 UNITS @ 10 7699 PIMCO TOTAL RETURN FUND INSTL BROKER MUTUAL FUND AGENT	(3,249 768)	0.00	35,000.00	(35,129.99)	0.00	(129.99)	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	87234N302	PROCEEDS REDEMPTION 989.315 UNITS @ 25.2700 TCW SELECT EQUITIES FUND CL I BROKER. MUTUAL FUND AGENT	(989.315)	0.00	25,000.00	(21,873.51)	3,126.49	0.00	PAYNE FUND INC NO 2 NMA
12-17-2013/ 12-18-2013	880208400	12/17 SALE 576 037 SHR @ 13 0199969 COMM/FEES 00 DEFER LOSS OF 326.83 TEMPLETON GLOBAL BD FUND ADVISOR CL BROKER. MUTUAL FUND AGENT	(576 037)	0.00	7,500.00	(7,501.51)	(1.51)	0.00	PAYNE FUND INC NO 2 NMA

U.S. TRUST

Bank of America Private Wealth Management

Financial 360

Investment Management, Trust & Custody Accounts Activity

As of Close of Business 05/29/2014

Date Range: From 01/01/2013 - To- 12/31/2013

Trade Date/ Settlement Date	CUSIP	Transaction Description	Quantity	Income Amount	Principal Amount	Cost	Realized Short Term Gain/(Loss)	Realized Long Term Gain/(Loss)	Account Number/Title
TOTAL PROCEEDS FROM SALES									
				0.00	704,065.91	(691,803.00)	(1,023.91)	13,286.82	
TOTAL SALES									
				0.00	704,065.91	(691,803.00)	(1,023.91)	13,286.82	

POSITIVE COST AND INVESTMENTS

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.
► Information about Form 8868 and its instructions is at www.irs.gov/form8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions THE PAYNE FUND	Employer identification number (EIN) or 13-5563006
	Number, street, and room or suite no. If a P O box, see instructions 50 PUBLIC SQUARE SUITE 4100	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions CLEVELAND, OH 44113	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► CHARLES P. BOLTON

Telephone No ► 216 696-1621 FAX No ► _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 2014, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ► calendar year 2013 or
 ► tax year beginning _____, 20____, and ending _____, 20____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$	3,109.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$	1,109.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$	2,000.

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions THE PAYNE FUND	Enter filer's identifying number, see instructions Employer identification number (EIN) or 13-5563006
	Number, street, and room or suite no. If a P.O. box, see instructions 50 PUBLIC SQUARE SUITE 4100	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions CLEVELAND, OH 44113	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1 2 3 4 5 6 7 8 9

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of Telephone No. 216 696-1621 Fax No.
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until 11/17, 2014

5 For calendar year 2013, or other tax year beginning _____, 20____, and ending _____, 20____

6 If the tax year entered in line 5 is for less than 12 months, check reason Initial return Final return Change in accounting period

7 State in detail why you need the extension THE ORGANIZATION IS REQUESTING ADDITIONAL TIME TO OBTAIN THE INFORMATION NEEDED TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a \$	3,109.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$	3,109.
c Balance Due. Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$	0

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Title Date