Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf.*

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation: TOWER FAMILY FUND, INC.

A Employer identification number: 20-5848514

Number and street (or P O box number if mail is not delivered to street address): 369 FRANKLIN STREET | Room/suite

B Telephone number: 716-834-9181

City or town, state or province, country, and ZIP or foreign postal code: BUFFALO, NY 14202

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 39,534,386.

J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

		(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	500,000.		N/A	
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	34,162.	34,162.		STATEMENT 2
	4 Dividends and interest from securities	672,277.	672,277.		STATEMENT 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	2,481,544.			STATEMENT 1
	b Gross sales price for all assets on line 6a 19,286,892.				
	7 Capital gain net income (from Part IV, line 2)		2,864,844.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	3,687,983.	3,571,283.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 4	91,674.	27,991.		63,683.
	b Accounting fees STMT 5	13,095.	6,548.		6,547.
	c Other professional fees STMT 6	132,680.	132,680.		0.
	17 Interest				
	18 Taxes STMT 7	50,649.	7,640.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 8	18,814.	0.		18,814.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	306,912.	174,859.		89,044.
	25 Contributions, gifts, grants paid	2,901,007.			2,901,007.
	26 **Total expenses and disbursements.** Add lines 24 and 25	3,207,919.	174,859.		2,990,051.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	480,064.			
	b **Net investment income** (if negative, enter -0-)		3,396,424.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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9-18 13

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	1,599,541.	823,932.	823,932.
	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			
	7 Other notes and loans receivable ▶ 1,503,919.			
	Less: allowance for doubtful accounts ▶ 0.	1,530,150.	1,503,919.	1,503,919.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 9	2,533,919.	1,711,922.	2,508,791.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 10	25,726,441.	27,901,155.	34,673,972.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ DUE FROM BROKER)	94,585.	23,772.	23,772.
	16 **Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	31,484,636.	31,964,700.	39,534,386.
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			
	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 ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	31,484,636.	31,964,700.	
	30 **Total net assets or fund balances**	31,484,636.	31,964,700.	
	31 **Total liabilities and net assets/fund balances**	31,484,636.	31,964,700.	

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	31,484,636.
2	Enter amount from Part I, line 27a	2	480,064.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	31,964,700.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	31,964,700.

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	PUBLICLY TRADED SECURITIES			
b	SECURITY LITIGATION PROCEEDS			
c	CAPITAL GAINS DIVIDENDS			
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	19,270,216.		16,422,048.	2,848,168.
b	4,307.			4,307.
c	12,369.			12,369.
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				2,848,168.
b				4,307.
c				12,369.
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 }	2	2,864,844.
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). If (loss), enter -0- in Part I, line 8	3	N/A

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	1,484,548.	33,079,706.	.044878
2011	1,153,424.	32,283,007.	.035729
2010	2,798,653.	29,590,881.	.094578
2009	1,418,343.	26,464,833.	.053593
2008	1,098,032.	24,834,772.	.044213

2	**Total** of line 1, column (d)	2	.272991
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	.054598
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	35,555,325.
5	Multiply line 4 by line 3	5	1,941,250.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	33,964.
7	Add lines 5 and 6	7	1,975,214.
8	Enter qualifying distributions from Part XII, line 4	8	2,990,051.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b			1	33,964.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.
3	Add lines 1 and 2			3	33,964.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	33,964.
6	Credits/Payments:				
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	31,000.		
b	Exempt foreign organizations - tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	31,000.
8	Enter any **penalty** for underpayment of estimated tax. Check here [X] if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	2,964.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11	Enter the amount of line 10 to be: **Credited to 2014 estimated tax** ▶	**Refunded** ▶		11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NY			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses STMT 11	10	X	

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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 ▶ LUMSDEN & MCCORMICK, LLP Telephone no. ▶ 716-856-3300

Located at ▶ 369 FRANKLIN STREET, BUFFALO, NY ZIP+4 ▶ 14202

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
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		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.

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ 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 ☒ 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 ☒ 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)? N/A	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 ☒ 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.) N/A	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 ☒ 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.)* N/A	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, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	☐ Yes ☒ No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A	☐ Yes ☐ No			
If "Yes," attach the statement required by Regulations section 53.4945-5(d).				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b		X
If "Yes" to 6b, file Form 8870.				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No			
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b		

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
PETER TOWER 369 FRANKLIN STREET BUFFALO, NY 14202	PRESIDENT, DIRECTOR 1.00	0.	0.	0.
MOLLIE T. BYRNES 369 FRANKLIN STREET BUFFALO, NY 14202	SECRETARY, DIRECTOR 1.00	0.	0.	0.
CYNTHIA T. DOYLE 369 FRANKLIN STREET BUFFALO, NY 14202	TREASURER, DIRECTOR 1.00	0.	0.	0.
JOHN N. BLAIR 369 FRANKLIN STREET BUFFALO, NY 14202	VP, DIRECTOR 1.00	0.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
MORGAN STANLEY - 50 FOUNTAIN PLAZA, KEY CENTER, SUITE 800, BUFFALO, NY 14203	INVESTMENT ADVISORY	119,964.
BLAIR & ROACH, LLP 2645 SHERIDAN DRIVE, TONAWANDA, NY 14150	LEGAL FEES	91,674.
Total number of others receiving over $50,000 for professional services	▶	0

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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	34,207,886.
b	Average of monthly cash balances		1b	1,888,891.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	36,096,777.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	36,096,777.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	541,452.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	35,555,325.
6	**Minimum investment return.** Enter 5% of line 5		6	1,777,766.

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	1,777,766.
2a	Tax on investment income for 2013 from Part VI, line 5	2a 33,964.		
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	33,964.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	1,743,802.
4	Recoveries of amounts treated as qualifying distributions		4	26,231.
5	Add lines 3 and 4		5	1,770,033.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	1,770,033.

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	2,990,051.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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	2,990,051.
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	5	33,964.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	2,956,087.

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				1,770,033.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			0.	
b Total for prior years: ____ , ____ , ____		0.		
3 Excess distributions carryover, if any, to 2013:				
a From 2008				
b From 2009				
c From 2010 618,043.				
d From 2011				
e From 2012				
f Total of lines 3a through e	618,043.			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ $ 2,990,051.				
a Applied to 2012, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2013 distributable amount				1,770,033.
e Remaining amount distributed out of corpus	1,220,018.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,838,061.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a	1,838,061.			
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010 618,043.				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013 1,220,018.				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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	Prior 3 years			
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	(e) Total
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).)

PETER TOWER

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ [X] 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 Paid during the year				
ALBRIGHT-KNOX ART GALLERY 1285 ELMWOOD AVENUE BUFFALO, NY 14222		501 (C)(3)	CHARITABLE	50,000.
AMHERST CINEMA ARTS CENTER, INC. 28 AMITY STREET AMHERST, MA 01002		501 (C)(3)	EDUCATIONAL	5,000.
AMHERST SURVIVAL CENTER PO BOX 9629 NORTH AMHERST, MA 01059-9629		501 (C)(3)	CHARITABLE	5,000.
ASPCA 424 E. 92ND STREET NEW YORK, NY 10128		501 (C)(3)	CHARITABLE	2,000.
BUFFALO AND ERIE COUNTY HISTORICAL SOCIETY ONE MUSEUM COURT BUFFALO, NY 14216		501 (C)(3)	CHARITABLE	10,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	2,901,007.
b Approved for future payment NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	34,162.	
4 Dividends and interest from securities			14	672,277.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	2,481,544.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		3,187,983.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 3,187,983.

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

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

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).

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		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 (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

John W. Blair, VP | 5/6/14 | VICE PRESIDENT

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DALE B. DEMYANICK		5/1/14		P00155344
Firm's name ▶ LUMSDEN & MCCORMICK, LLP			Firm's EIN ▶ 16-0765486	
Firm's address ▶ 369 FRANKLIN STREET BUFFALO, NY 14202			Phone no. (716)856-3300	

Form **990-PF** (2013)

323622
10-10-13

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ 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.*

OMB No 1545-0047

2013

Name of the organization	Employer identification number
TOWER FAMILY FUND, INC.	20-5848514

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	Employer identification number
TOWER FAMILY FUND, INC.	20-5848514

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	PETER TOWER / PETER TOWER LIVING TRUST 50 MUIRFIELD ROAD EAST AURORA, NY 14052	$ 500,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization: TOWER FAMILY FUND, INC.

Employer identification number: 20-5848514

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
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization: TOWER FAMILY FUND, INC.

Employer identification number: 20-5848514

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) ▶ $

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(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

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
BUFFALO PHILHARMONIC ORCHESTRA 499 FRANKLIN STREET BUFFALO, NY 14202		501 (C)(3)	EDUCATIONAL PROGRAMS	100,000.
BUFFALO SOCIETY OF NATURAL SCIENCES 1020 HUMBOLDT PARKWAY BUFFALO, NY 14211		501 (C)(3)	CHARITABLE	10,000.
BURCHFIELD-PENNEY ART CENTER 1300 ELMWOOD AVENUE BUFFALO, NY 14222		501 (C)(3)	CHALLENGE GRANT	79,338.
BURCHFIELD-PENNEY ART CENTER 1300 ELMWOOD AVENUE BUFFALO, NY 14222		501 (C)(3)	CHARITABLE	100,000.
DOCTORS WITHOUT BORDERS PO BOX 5030 HAGERSTOWN, MD 21741		501 (C)(3)	CHARITABLE	2,500.
GLOUCESTER EDUCATION FOUNDATION PO BOX 1104 GLOUCESTER, MA 01931		501 (C)(3)	EDUCATIONAL	30,000.
GLOUCESTER STAGE CO. 267 EAST MAIN STREET GLOUCESTER, MA 01930		501 (C)(3)	CHARITABLE	25,000.
HEALTH LEADS, INC. 2 OLIVER STREET, 10TH FLOOR BOSTON, MA 02109		501 (C)(3)	CHARITABLE	50,000.
HEIFER INTERNATIONAL PO BOX 8058 LITTLE ROCK, AR 72203		501 (C)(3)	CHARITABLE	5,000.
ISLAND GROWN INITIATIVE PO BOX 622 VINEYARD HAVEN, MA 02568		501 (C)(3)	WATER INITIATIVE/DUNKL PROJECT	5,000.
Total from continuation sheets				2,829,007.

323631
05-01-13

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
ISLAND GROWN INITIATIVE PO BOX 622 VINEYARD HAVEN, MA 02568		501 (C)(3)	ISLAND GROWN SCHOOLS PROJECT	6,000.
KIPP ACADEMY LYNN 25 BESSOM STREET LYNN, MA 01902		501 (C)(3)	EDUCATIONAL	50,000.
LIFT/NATIONAL STUDENT PARTNERSHIP 1620 I STREET NW, SUITE 820 WASHINGTON, DC 20006		501 (C)(3)	CHARITABLE	50,000.
MARITIME GLOUCESTER 23 HARBOR LOOP GLOUCESTER, MA 01930		501 (C)(3)	CAPITAL CAMPAIGN	50,000.
MARTHA'S VINEYARD REGIONAL HIGH SCHOOL 4 PINE STREET VINEYARD HAVEN, MA 02568		501 (C)(3)	EDUCATIONAL	15,000.
MASSACHUSETTS GENERAL HOSPITAL - RECOVERY RESEARCH INSTITUTE 165 CAMBRIDGE STREET, SUITE 600 BOSTON, MA 02114		501 (C)(3)	CHARITABLE	25,000.
NEW PROFIT INC. 2 CANAL PARK CAMBRIDGE, MA 02141		501 (C)(3)	CHARITABLE	1,291,669.
OXFAM AMERICA 226 CAUSEWAY STREET, 5TH FLOOR BOSTON, MA 02114		501 (C)(3)	CHARITABLE	2,500.
PATHWAYS FOR CHILDREN 29 EMERSON AVENUE GLOUCESTER, MA 01930		501 (C)(3)	CHARITABLE	85,000.
PEER HEALTH EXCHANGE, INC. 70 GOLD STREET SAN FRANCISCO, CA 94133		501 (C)(3)	CHARITABLE	50,000.
Total from continuation sheets				

323631
05-01-13

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
ROCKPORT MUSIC INC. 21 BROADWAY, SUITE B ROCKPORT, MA 01966		501 (C)(3)	CHARITABLE	100,000.
STAND FOR CHILDREN LEADERSHIP CENTER 1732 QUIMBY STREET, SUITE 200 PORTLAND, OR 97209		501 (C)(3)	CHARITABLE	50,000.
THE GOW SCHOOL 2491 EMERY ROAD SOUTH WALES, NY 14139		501 (C)(3)	CHARITABLE	10,000.
THE SALVATION ARMY PO BOX 628 HARTFORD, CT 06105		501 (C)(3)	CHARITABLE	2,500.
THE TRUSTEES OF RESERVATIONS 572 ESSEX STREET BEVERLY, MA 01915		501 (C)(3)	CHARITABLE	40,000.
UNITED METHODIST CHURCH OF MARTHA'S VINEYARD PO BOX 2580 OAK BLUFFS, MA 02557		501 (C)(3)	CHARITABLE	5,000.
VINEYARD CONSERVATION SOCIETY PO BOX 2189 VINEYARD HAVEN, MA 02568		501 (C)(3)	CHARITABLE	5,000.
VINEYARD HOUSE PO BOX 4599, 15 CHURCH STREET VINEYARD HAVEN, MA 02568		501 (C)(3)	CAPITAL CAMPAIGN	50,000.
VINEYARD HOUSE PO BOX 4599, 15 CHURCH STREET VINEYARD HAVEN, MA 02568		501 (C)(3)	CHARITABLE	7,500.
VINEYARD MONTESSORI SCHOOL 286 MAIN STREET VINEYARD HAVEN, MA 02568		501 (C)(3)	EDUCATIONAL	5,500.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
VISTA VOCATIONAL & LIFE SKILLS CENTER 107 BRADLEY ROAD MADISON, CT 06443		501 (C)(3)	CHARITABLE	500.
VISTA VOCATIONAL & LIFE SKILLS CENTER 107 BRADLEY ROAD MADISON, CT 06443		501 (C)(3)	ENDOWMENT FUND	50,000.
YMCA OF MARTHA'S VINEYARD 111R EDGARTOWN VINEYARD HAVEN RD VINEYARD HAVEN, MA 02568		501 (C)(3)	TEEN CENTER	25,000.
AQUINNAH CULTURAL CENTER 10 BLACK BROOK ROAD AQUINNAH, MA 02535		501 (C)(3)	CHARITABLE	1,000.
CAPE ANN MUSEUM 27 PLEASANT STREET GLOUCESTER, MA 01930		501 (C)(3)	CAPITAL CAMPAIGN	100,000.
ESSEX COUNTY COMMUNITY FOUNDATION 175 ANDOVER STREET DANVERS, MA 01923		501 (C)(3)	CHARITABLE	10,000.
MARTHA'S VINEYARD COMMUNITY SERVICES, INC. 111 EDGARTOWN ROAD VINEYARD HAVEN, MA 02568		501 (C)(3)	CHARITABLE	35,000.
THE PROVIDENCE CENTER 528 NORTH MAIN STREET PROVIDENCE, RI 02904		501 (C)(3)	CAPITAL CAMPAIGN	50,000.
WALNUT HILL SCHOOL OF THE ARTS 12 HIGHLAND STREET NATICK, MA 01760		501 (C)(3)	CHALLENGE GRANT	250,000.
Total from continuation sheets				

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
PUBLICLY TRADED SECURITIES			

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
19,270,216.	16,805,348.	0.	0.	2,464,868.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
SECURITY LITIGATION PROCEEDS			

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
4,307.	0.	0.	0.	4,307.

CAPITAL GAINS DIVIDENDS FROM PART IV	12,369.
TOTAL TO FORM 990-PF, PART I, LINE 6A	2,481,544.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
MONEY MARKET DIVIDENDS	393.	393.	
YMCA OF MARTHA'S VINEYARD	33,769.	33,769.	
TOTAL TO PART I, LINE 3	34,162.	34,162.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
DIVIDENDS FROM SECURITIES	684,646.	12,369.	672,277.	672,277.	
TO PART I, LINE 4	684,646.	12,369.	672,277.	672,277.	

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	91,674.	27,991.		63,683.
TO FM 990-PF, PG 1, LN 16A	91,674.	27,991.		63,683.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	13,095.	6,548.		6,547.
TO FORM 990-PF, PG 1, LN 16B	13,095.	6,548.		6,547.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	132,680.	132,680.		0.
TO FORM 990-PF, PG 1, LN 16C	132,680.	132,680.		0.

FORM 990-PF | TAXES | STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	7,640.	7,640.		0.
FEDERAL EXCISE TAXES	43,009.	0.		0.
TO FORM 990-PF, PG 1, LN 18	50,649.	7,640.		0.

FORM 990-PF | OTHER EXPENSES | STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE	502.	0.		502.
PROFESSIONAL MEMBERSHIPS	725.	0.		725.
NYS FILING FEE	750.	0.		750.
CONSULTING FEES	16,837.	0.		16,837.
TO FORM 990-PF, PG 1, LN 23	18,814.	0.		18,814.

FORM 990-PF | CORPORATE STOCK | STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK - MORGAN STANLEY #116404 (SEE ATTACHMENT A)	969,362.	1,519,221.
8,500 SHS M&T BK CORP	742,560.	989,570.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,711,922.	2,508,791.

FORM 990-PF OTHER INVESTMENTS STATEMENT 10

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MORGAN STANLEY #116405 (SEE ATTACHMENT B)	COST	27,901,155.	34,673,972.
TOTAL TO FORM 990-PF, PART II, LINE 13		27,901,155.	34,673,972.

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS STATEMENT 11
PART VII-A, LINE 10

NAME OF CONTRIBUTOR	ADDRESS
PETER TOWER / PETER TOWER LIVING TRUST	50 MUIRFIELD ROAD EAST AURORA, NY 14052

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail — Consulting and Evaluation Services Basic Securities Acct. 828-116404-540 — TOWER FAMILY FUND INC. GAMCO ACCOUNT

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
ALCOA INC (AA)	10/21/11	1,000.000	$10.117	$10,116.90	$10,630.00	$513.10 LT		
	10/24/13	500.000	9.130	4,565.00	5,315.00	750.00 ST		
	Total	1,500.000		14,681.90	**15,945.00**	513.10 LT 750 00 ST	180.00	1.12
Share Price: $10.630; Next Dividend Payable 02/2014								
AMC NETWORKS INC CL A (AMCX)	11/19/10	150.000	33.984	5,097.66	10,216.50	5,118 84 LT		
	10/21/11	150.000	34.037	5,105.55	10,216.50	5,110.95 LT		
	Total	300.000		10,203.21	**20,433.00**	10,229.79 LT	—	—
Share Price $68 110								
AMERICAN EXPRESS CO (AXP)	1/27/11	500.000	44.250	22,124.85	**45,365.00**	23,240.15 LT	460.00	1.01
Share Price· $90 730, Next Dividend Payable 02/2014								
AMPCO PITTSBURGH CORP (AP)	10/21/11	500.000	22.910	11,454.95	**9,725.00**	(1,729.95) LT	360.00	3.70
Share Price· $19 450; Next Dividend Payable 01/2014								
BANK OF NEW YORK MELLON CORP (BK)	3/15/10	1,000.000	29.900	29,900.00	34,940.00	5,040.00 LT		
	10/21/11	400.000	20.557	8,222.76	13,976.00	5,753.24 LT		
	6/15/12	200.000	21.024	4,204.80	6,988.00	2,783.20 LT		
	Total	1,600.000		42,327.56	**55,904.00**	13,576.44 LT	960 00	1.71
Share Price $34.940; Next Dividend Payable 02/2014								
BEAM INC COM (BEAM)	10/21/11	400.000	49.205	19,682.12	**27,224.00**	7,541.88 LT	360.00	1.32
Share Price $68.060, Next Dividend Payable 03/2014								
BOULDER BRANDS INC COM (BDBD)	6/15/12	1,000.000	7.895	7,895.00	**15,860.00**	7,965.00 LT	—	—
Share Price: $15.860								
CABLEVISION SYSTEMS CORP (CVC)	11/19/10	600.000	22.444	13,466.28	10,758.00	(2,708.28) LT		
	8/10/11	400.000	16.871	6,748.48	7,172.00	423.52 LT		
	2/21/12	200.000	15.297	3,059.30	3,586.00	526.70 LT		
	5/17/12	400.000	11.510	4,604.00	7,172.00	2,568.00 LT		
	6/15/12	400.000	12.378	4,951.00	7,172.00	2,221.00 LT		
	11/8/13	500 000	15.150	7,575.00	8,965.00	1,390.00 ST		
	Total	2,500.000		40,404.06	**44,825.00**	3,030.94 LT 1,390.00 ST	1,500 00	3.34
Share Price. $17.930, Next Dividend Payable 03/2014								
CORNING INC (GLW)	12/13/12	2,000.000	12.824	25,647.80	35,640.00	9,992 20 LT		
	10/24/13	500.000	16.930	8,465.00	8,910.00	445.00 ST		
	Total	2,500.000		34,112.80	**44,550.00**	9,992.20 LT 445.00 ST	1,000.00	2.24
Share Price: $17.820, Next Dividend Payable 03/2014								

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail — Consulting and Evaluation Services Basic Securities Acct 828-116404-540 — TOWER FAMILY FUND INC. GAMCO ACCOUNT

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
CRANE CO (CR)	1/27/11	1,000.000	45.132	45,132.00	67,250.00	22,118.00 LT		
	6/15/12	200.000	36.625	7,325.00	13,450.00	6,125.00 LT		
	Total	1,200.000		52,457.00	**80,700.00**	28,243.00 LT	1,440 00	1.78
Share Price· $67.250; Next Dividend Payable 03/2014								
CTS CORPORATION (CTS)	5/14/08	2,000.000	10.749	21,498.00	**39,820.00**	18,322.00 LT	320.00	0.80
Share Price: $19 910, Next Dividend Payable 01/31/14								
CYPRESS SEMICONDUCTOR DELA (CY)	12/13/12	2,000.000	10.480	20,959.40	21,000.00	40.60 LT C		
	4/22/13	1,000.000	9.290	9,290.00	10,500.00	1,210.00 ST C		
	Total	3,000.000		30,249.40	**31,500.00**	40.60 LT 1,210.00 ST	1,320.00	4.19
Share Price. $10 500, Next Dividend Payable 01/16/14								
DIAGEO PLC SPON ADR NEW (DEO)	10/21/11	300.000	84.690	25,407.00	**39,726.00**	14,319.00 LT	899.40	2.26
Share Price· $132.420; Next Dividend Payable 04/2014								
FERRO CORP (FOE)	1/25/13	4,000.000	4.810	19,238.80	**51,320.00**	32,081.20 ST	—	—
Share Price: $12.830								
FLOWSERVE CORP (FLS)	10/28/02	1,200.000	29.927	35,912.00	**94,596.00**	58,684.00 LT 1	672.00	0.71
Share Price. $78.830; Next Dividend Payable 01/10/14								
GENUINE PARTS CO (GPC)	1/27/11	600.000	51.630	30,978.00	**49,914.00**	18,936.00 LT	1,290.00	2.58
Share Price. $83.190, Next Dividend Payable 01/02/14								
GRACO INC (GGG)	1/25/13	300.000	55.754	16,726.23	**23,436.00**	6,709 77 ST	330.00	1.40
Share Price: $78.120; Next Dividend Payable 02/2014								
GRAFTECH INTL LTD HLDG CO (GTI)	11/13/08	1,000.000	5.219	5,219.20	11,230.00	6,010.80 LT		
	11/26/08	1,000.000	6.257	6,256.70	11,230.00	4,973.30 LT		
	Total	2,000.000		11,475.90	**22,460.00**	10,984.10 LT	—	—
Share Price: $11 230								
GRIFFON CORPORATION (GFF)	12/21/09	1,000.000	11.770	11,770.00	13,210.00	1,440.00 LT		
	10/1/13	1,000.000	12.360	12,360.40	13,210.00	849.60 ST		
	Total	2,000.000		24,130.40	**26,420.00**	1,440.00 LT 849 60 ST	240.00	0 90
Share Price. $13 210; Next Dividend Payable 03/2014								
HILLSHIRE BRANDS COMPANY (HSH)	1/15/13	500.000	29.928	14,964.00	**16,720.00**	1,756.00 ST	350.00	2.09
Share Price· $33.440; Next Dividend Payable 01/08/14								
INTERNAP NETWORK SVCS CORP NEW (INAP)	4/20/11	1,000.000	7.018	7,017.70	7,520.00	502.30 LT		
	6/15/12	1,000.000	6.667	6,666.70	7,520.00	853.30 LT		
	Total	2,000.000		13,684.40	**15,040.00**	1,355.60 LT	—	—
Share Price $7 520								

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail — Consulting and Evaluation Services Basic Securities Acct 828-116404-540 — TOWER FAMILY FUND INC. GAMCO ACCOUNT

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
JPMORGAN CHASE & CO (JPM)	6/2/08	348.000	43.424	15,111.56	20,351.04	5,239.48 LT		
	1/21/09	300.000	19.240	5,772.00	17,544.00	11,772.00 LT		
	3/26/09	200.000	29.000	5,800.00	11,696.00	5,896.00 LT		
	Total	848.000		26,683.56	**49,591.04**	22,907.48 LT	1,288.96	2 59
Share Price: $58.480; Next Dividend Payable 01/2014								
KELLOGG CO (K)	5/17/12	300.000	50.990	15,297.00	18,321.00	3,024.00 LT		
	6/15/12	200.000	49.186	9,837.26	12,214.00	2,376.74 LT		
	Total	500.000		25,134.26	**30,535.00**	5,400.74 LT	920.00	3.01
Share Price $61.070, Next Dividend Payable 03/2014								
MEDIA GENERAL INC A (MEG)	4/15/11	2,500.000	5.759	14,397.00	**56,500.00**	42,103.00 LT	—	—
Share Price· $22.600								
MONDELEZ INTL INC COM (MDLZ)	3/15/10	600.000	19.167	11,499.97	**21,180.00**	9,680.03 LT	336.00	1.58
Share Price. $35.300; Next Dividend Payable 01/14/14								
NATL FUEL GAS CO (NFG)	12/14/09	400.000	49.419	19,767.48	**28,560.00**	8,792.52 LT	600.00	2.10
Share Price $71.400; Next Dividend Payable 01/15/14								
NEWS CORPORATION CL A (NWSA)	7/23/90	500.000	9.842	4,921.21	**9,010.00**	4,088.79 LT	—	—
Share Price: $18 020								
PEP BOYS CO MANNY MOE & JACK (PBY)	6/15/12	1,000.000	9 408	9,408.20	**12,140.00**	2,731.80 LT	—	—
Share Price. $12.140								
PERNOD-RICARD (PDRDF)	10/21/11	300.000	93.395	28,018.44	**34,232.39**	6,213.95 LT	—	—
Share Price: $114.108								
PNM RESOURCES INC (HLDG CO) (PNM)	3/7/08	200.000	9.470	1,894.00	4,824.00	2,930.00 LT 1		
	10/9/08	1,000.000	9.049	9,049.00	24,120.00	15,071.00 LT		
	Total	1,200.000		10,943.00	**28,944.00**	18,001.00 LT	888.00	3.06
Share Price $24.120, Next Dividend Payable 02/2014								
SL INDUSTRIES INCORPORATED (SLI)	5/14/08	200.000	13.965	2,793.00	5,420.00	2,627.00 LT		
	12/14/09	500.000	7.757	3,878.55	13,550.00	9,671 45 LT		
	Total	700.000		6,671.55	**18,970.00**	12,298.45 LT	—	—
Share Price· $27 100								
TELEPHONE AND DATA SYSTEMS INC (TDS)	5/14/08	543.500	39.962	21,719.25	14,011.43	(7,707 82) LT		
	8/26/08	434.800	34.131	14,840.00	11,209.14	(3,630.86) LT		
	9/15/08	652.200	32.249	21,033.12	16,813.72	(4,219.40) LT		
	10/21/11	543.500	20.530	11,158.25	14,011.43	2,853.18 LT		
	Total	2,174.000		68,750.62	**56,045.72**	(12,704.90) LT	1,108.74	1.97
Share Price $25 780, Next Dividend Payable 03/2014								

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail — Consulting and Evaluation Services Basic Securities Acct 828-116404-540 — TOWER FAMILY FUND INC GAMCO ACCOUNT

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
TREDEGAR CORPORATION (TG)	5/14/08	2,000.000	14.526	29,052.00	**57,620.00**	28,568.00 LT	560.00	0.97
Share Price: $28.810; Next Dividend Payable 01/01/14								
TWENTY-FIRST CENTURY FOX CL A (FOXA)	7/23/90	2,000.000	19.029	38,058.79	**70,340.00**	32,281.21 LT 2	500.00	0.71
Share Price $35 170; Next Dividend Payable 04/2014								
US CELLULAR CP (USM)	9/18/08	1,000.000	46.477	46,476.50	**41,820.00**	(4,656.50) LT	—	—
Share Price. $41.820								
VIACOM INC NEW CLASS A (VIA)	12/21/07	300.000	43.950	13,185.12	26,331.00	13,145.88 LT 1		
	9/15/08	300.000	26.717	8,015.10	26,331.00	18,315.90 LT		
	9/18/08	400.000	25.900	10,360.00	35,108.00	24,748.00 LT		
	Total	1,000.000		31,560.22	**87,770.00**	56,209.78 LT	1,200.00	1.36
Share Price: $87 770; Next Dividend Payable 03/2014								
WEATHERFORD INTERNATIONAL LTD (WFT)	12/13/12	2,000.000	10.692	21,384.80	**30,980.00**	9,595.20 LT	—	—
Share Price. $15.490								
WELLS FARGO & CO NEW (WFC)	4/18/08	2,500.000	30.811	77,026.50	**113,500.00**	36,473.50 LT	3,000.00	2.64
Share Price $45.400, Next Dividend Payable 03/2014								

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
STOCKS	**96.1%**	**$969,361.68**	**$1,519,221.15**	**$504,667.90 LT**	**$22,083.10**	**1.45%**
				$45,191.57 ST	**$0.00**	

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail — Portfolio Management Active Assets Account 828-116405-540 — TOWER FAMILY FUND INC INVESTMENT ACCOUNT

EXCHANGE-TRADED & CLOSED-END FUNDS

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
BLACKROCK LTD DURATION INC (BLW)	12/31/13	5,150.000	$17.192	$88,539.32	**$88,168.00**	$(371.32) ST	$6,458.10	7.32
Share Price. $17.120, Next Dividend Payable 01/08/14								
CONS DISCRET SEL SECT SPDR FD (XLY)	10/25/11	5,095.000	39.499	201,248.42	340,498.85	139,250.43 LT		
	10/28/11	7,920.000	39.719	314,571.31	529,293.60	214,722.29 LT		
	12/7/11	7,255.000	39.490	286,500.68	484,851.65	198,350.97 LT		
	11/9/12	11,080.000	45.761	507,031.88	740,476.40	233,444.52 LT		
	Total	31,350.000		1,309,352.29	**2,095,120.50**	785,768.21 LT	24,327.60	1.16
Share Price $66 830; CG IAR Status· AL; Next Dividend Payable 03/2014								
ENERGY SEL SECT SPDR FD (XLE)	8/18/11	8,250.000	64.328	530,703.53	**730,207.50**	199,503.97 LT	12,597.75	1.72
Share Price: $88.510; CG IAR Status· AL, Next Dividend Payable 03/2014								
INDUSTRIAL SEL SEC SPDR FD (XLI)	7/5/12	29,185.000	35.795	1,044,662.48	1,525,208.10	480,545.62 LT		
	10/7/13	16,625.000	46.116	766,676.84	868,822.50	102,145.66 ST		
	Total	45,810.000		1,811,339.32	**2,394,030.60**	480,545.62 LT 102,145.66 ST	40,083 75	1.67
Share Price: $52 260; CG IAR Status· AL; Next Dividend Payable 03/2014								
ISHARES 1-3 YEAR CREDIT BD ETF (CSJ)	7/27/10	3,800.000	104.580	397,404.00	400,748.00	3,344.00 LT		
	10/13/10	1,000.000	105.109	105,109.00	105,460.00	351.00 LT		
	9/19/11	3,800.000	104.256	396,172.42	400,748.00	4,575.58 LT		
	7/8/13	2,790.000	104.760	292,280.40	294,233.40	1,953.00 ST		
	8/15/13	1,500.000	104.938	157,406.70	158,190.00	783.30 ST		
	8/20/13	2,891.000	105.050	303,698.10	304,884.86	1,186.76 ST		
	9/10/13	775.000	104.659	81,110.65	81,731.50	620.85 ST		
	12/20/13	14,000.000	105.420	1,475,878.60	1,476,440.00	561.40 ST		
	12/31/13	600.000	105 406	63,243.42	63,276.00	32.58 ST		
	Total	31,156.000		3,272,303.29	**3,285,711.76**	8,270.58 LT 5,137.89 ST	38,353.04	1.16
Share Price $105 460; Next Dividend Payable 01/02/14								
ISHARES BARCLAYS 1-3 YR TSY BD (SHY)	4/15/08	1,100.000	83 750	92,124.89	**92,818.00**	693 11 LT	243.10	0.26
Share Price: $84.380; CG IAR Status: AL, Next Dividend Payable 01/02/14								
ISHARES BARCLAYS AGG.BD FD (AGG)	4/15/08	1,850.000	102 300	189,254.82	196,895.50	7,640.68 LT		
	7/27/10	1,050.000	107.390	112,759.50	111,751.50	(1,008.00) LT		
	10/13/10	500.000	108 558	54,279.00	53,215.00	(1,064.00) LT		
	9/19/11	1,650.000	110.170	181,780.50	175,609.50	(6,171.00) LT		
	12/13/12	2,543.000	111.300	283,035.90	270,651.49	(12,384.41) LT		

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail — Portfolio Management Active Assets Account 828-116405-540 — TOWER FAMILY FUND INC. INVESTMENT ACCOUNT

EXCHANGE-TRADED & CLOSED-END FUNDS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
	Total	7,593.000		821,109.72	**808,122.99**	(12,986.73) LT	18,686.37	2 31
Share Price. $106 430, CG IAR Status AL, Next Dividend Payable 01/02/14								
ISHARES CORE MSCI EMERGING (IEMG)	10/30/13	18,560.000	51.400	953,984.00	924,473.60	(29,510 40) ST		
	11/12/13	1,100.000	48.410	53,251.00	54,791.00	1,540.00 ST		
	Total	19,660.000		1,007,235.00	**979,264.60**	(27,970.40) ST	17,261.48	1.76
Share Price $49 810, Next Dividend Payable 06/2014								
ISHARES IBOXX INVEST GR COR BD (LQD)	10/13/10	1,500.000	112.872	169,308.00	171,282.00	1,974.00 LT		
	9/10/13	1,550.000	111.074	172,164.08	176,991.40	4,827.32 ST		
	Total	3,050.000		341,472.08	**348,273.40**	1,974.00 LT 4,827.32 ST	13,346.80	3.83
Share Price $114.188; CG IAR Status: AL; Next Dividend Payable 01/02/14								
ISHARES INTERM CREDIT BD ETF (CIU)	4/17/09	2,800.000	95.000	266,000.00	302,064.00	36,064.00 LT		
	5/19/09	500.000	97.075	48,537.40	53,940.00	5,402.60 LT		
	7/27/10	1,250.000	106.239	132,799.25	134,850.00	2,050.75 LT		
	10/13/10	1,000.000	108.349	108,349.00	107,880.00	(469.00) LT		
	9/19/11	3,700.000	107.998	399,591.86	399,156.00	(435.86) LT		
	8/15/13	1,550.000	107.446	166,540.99	167,214.00	673 01 ST		
	9/10/13	2,350.000	106.298	249,801.24	253,518.00	3,716.76 ST		
	12/6/13	7,443.000	108.070	804,365.01	802,950.84	(1,414.17) ST		
	12/20/13	1,514.000	108.250	163,890.50	163,330.32	(560.18) ST		
	12/31/13	450.000	107.966	48,584.70	48,546.00	(38 70) ST		
	Total	22,557.000		2,388,459.95	**2,433,449.16**	42,612.49 LT 2,376.72 ST	66,249 91	2.72
Share Price: $107 880; Next Dividend Payable 01/02/14								
ISHARES MSCI EAFE ETF (EFA)	11/27/12	19,475.000	54.227	1,056,070.83	1,306,675.12	250,604.29 LT		
	12/28/12	18,685.000	56.106	1,048,342 48	1,253,670.07	205,327 59 LT		
	Total	38,160.000		2,104,413.31	**2,560,345.20**	455,931.88 LT	64,986 48	2 53
Share Price: $67.095; CG IAR Status: AL, Next Dividend Payable 06/2014								
ISHARES MSCI EMU ETF (EZU)	10/14/13	29,485.000	38.716	1,141,547.16	**1,220,089.30**	78,542.14 ST	27,155.69	2.22
Share Price $41.380, CG IAR Status: AL, Next Dividend Payable 06/2014								
ISHARES RUSSELL 1000 VALUE ETF (IWD)	6/4/13	13,035.000	84.570	1,102,369.95	1,227,505.95	125,136.00 ST		
	6/5/13	5,450.000	83.800	456,710.00	513,226.50	56,516.50 ST		
	6/11/13	8,055.000	84.490	680,562.92	758,539.35	77,976.43 ST		
	Total	26,540.000		2,239,642.87	**2,499,271.80**	259,628.93 ST	48,700.90	1.94
Share Price: $94.170; CG IAR Status AL; Next Dividend Payable 03/2014								
ISHARES RUSSELL MIDCAP V ETF (IWS)	3/21/13	11,910.000	56.630	674,463.30	782,606.10	108,142.80 ST		
	6/21/13	7,315.000	57.128	417,889.13	480,668.65	62,779.52 ST		

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail — Portfolio Management Active Assets Account 828-116405-540 — TOWER FAMILY FUND INC. INVESTMENT ACCOUNT

EXCHANGE-TRADED & CLOSED-END FUNDS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
	Total	19,225.000		1,092,352.43	**1,263,274.75**	170,922.32 ST	21,589.68	1.70
Share Price $65.710, CG IAR Status AL, Next Dividend Payable 03/2014								
ISHARES S&P MIDCAP 400 INDEX (IJH)	2/25/09	9,950.000	46.909	466,739.58	1,331,409.50	864,669.92 LT		
	3/11/09	2,000.000	43.366	86,732.00	267,620.00	180,888.00 LT		
	6/18/10	1,480.000	77.500	114,700.00	198,038.80	83,338.80 LT		
	10/18/12	4,970.000	99.777	495,891.19	665,035.70	169,144.51 LT		
	Total	18,400.000		1,164,062.77	**2,462,104.00**	1,298,041.23 LT	31,795.20	1.29
Share Price: $133 810; CG IAR Status: AL; Next Dividend Payable 03/2014								
ISHARES S&P US PFD STK IDX FD (PFF)	10/30/08	250.000	29.100	7,275.00	9,207.50	1,932.50 LT		
	7/27/10	3,000.000	39.209	117,627.00	110,490.00	(7,137.00) LT		
	10/13/10	1,000.000	39.828	39,828.00	36,830.00	(2,998.00) LT		
	9/19/11	5,100.000	36.718	187,260.27	187,833.00	572.73 LT		
	8/15/13	3,675.000	37.705	138,566.24	135,350.25	(3,215 99) ST		
	9/10/13	1,025.000	37.668	38,610.01	37,750.75	(859.26) ST		
	Total	14,050.000		529,166.52	**517,461.50**	(7,629.77) LT (4,075 25) ST	34,169.60	6.60
Share Price: $36 830; CG IAR Status: AL; Next Dividend Payable 01/02/14								
ISHARES SP SMALLCAP 600 INDEX (IJR)	10/25/11	4,210.000	65.438	275,491.88	459,437.30	183,945.42 LT		
	10/28/11	2,705.000	69.380	187,673.98	295,196.65	107,522.67 LT		
	11/4/11	3,180.000	67.803	215,614.18	347,033.40	131,419.22 LT		
	12/8/11	3,005.000	66.747	200,575.04	327,935.65	127,360.61 LT		
	10/8/13	5,780.000	98.219	567,706.98	630,771.40	63,064.42 ST		
	10/14/13	4,195.000	101.070	423,988.65	457,800.35	33,811.70 ST		
	Total	23,075.000		1,871,050.71	**2,518,174.75**	550,247.92 LT 96,876.12 ST	25,220.98	1.00
Share Price $109 130, CG IAR Status: AL, Next Dividend Payable 03/2014								
MFS CHARTER INCOME TR SBI (MCR)	1/25/11	19,450.000	9.247	179,848.70	176,022.50	(3,826.20) LT		
	9/19/11	4,050.000	8.919	36,123 57	36,652 50	528.93 LT		
	2/6/12	5,085.000	9.509	48,354.23	46,019.25	(2,334.98) LT		
	12/31/13	6,450.000	9.070	58,501.50	58,372.50	(129.00) ST		
	Total	35,035.000		322,828.00	**317,066.75**	(5,632.25) LT (129.00) ST	20,180.16	6 36
Share Price $9 050, Next Dividend Payable 01/2014								
MFS MULTIMARKET INC TR SBI (MMT)	1/7/09	1,900.000	5.100	9,690.00	**12,578.00**	2,888.00 LT	855.00	6.79
Share Price $6.620, Next Dividend Payable 01/2014								
PIMCO ENHANCED SHORT MATURIT (MINT)	5/31/13	3,039.000	101.510	308,488.89	**307,911.48**	(577.41) ST	2,248.86	0.73
Share Price. $101.320								

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN: 20-5848514

Account Detail

Portfolio Management Active Assets Account 828-116405-540

TOWER FAMILY FUND INC. INVESTMENT ACCOUNT

EXCHANGE-TRADED & CLOSED-END FUNDS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
SPDR BARCLAYS CAPITAL 1-3 MONT (BIL)	12/5/13	1,962.000	45.790	89,839.98	89,800.74	(39.24) ST		
	12/6/13	2,340.000	45.790	107,148.60	107,101.80	(46.80) ST		
	12/9/13	692.000	45.790	31,686.68	31,672 84	(13 84) ST		
	Total	4,994.000		228,675.26	**228,575.38**	(99.88) ST	—	—
Share Price: $45.770; CG IAR Status: AL; Next Dividend Payable 01/07/14								
SPDR BARCLAYS CAPITAL HIGH YIE (JNK)	2/17/11	4,410.000	40.630	179,178.30	178,869.60	(308.70) LT		
	9/15/11	4,460.000	38.190	170,327.40	180,897.60	10,570.20 LT		
	9/19/11	6,670.000	38.040	253,726.80	270,535.20	16,808.40 LT		
	8/15/13	3,000.000	39.595	118,785.30	121,680.00	2,894.70 ST		
	9/10/13	4,435.000	39.568	175,483.64	179,883.60	4,399.96 ST		
	Total	22,975.000		897,501.44	**931,866.00**	27,069.90 LT 7,294.66 ST	56,380.65	6 05
Share Price. $40.560; CG IAR Status. AL, Next Dividend Payable 01/07/14								
SPDR S&P BIOTECH (XBI)	12/2/10	7,450.000	60.670	451,991.50	**969,990.00**	517,998.50 LT	1,646.45	0.16
Share Price. $130.200; Next Dividend Payable 03/2014								
SPDR S&P PHARMACEUITICAL (XPH)	12/2/10	11,550.000	44.870	518,248.50	**1,016,053.50**	497,805.00 LT	6,156.15	0.60
Share Price: $87.970; Next Dividend Payable 03/2014								
SPDR S&P REGIONAL BANKING ETF (KRE)	1/19/12	34,225.000	26.110	893,607.91	**1,389,877.25**	496,269 34 LT	19,029.10	1.36
Share Price: $40.610; Next Dividend Payable 03/2014								
THE FINANCIAL SEL SECT SPDR FD (XLF)	5/1/12	56,005.000	15.672	877,710.36	1,224,269.30	346,558.94 LT		
	5/23/12	21,570.000	13.910	300,038.70	471,520.20	171,481.50 LT		
	10/26/12	31,925.000	15.794	504,226.64	697,880.50	193,653.86 LT		
	Total	109,500.000		1,681,975.70	**2,393,670.00**	711,694 30 LT	35,149.50	1.46
Share Price. $21.860; CG IAR Status: AL; Next Dividend Payable 03/2014								

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	**95.8%**	**$27,117,882.36**	**$33,863,476.17**	**$6,051,065.30 LT** **694,528.50 ST**	**$632,872.30** **$0.00**	**1.87%**

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2013

EIN. 20-5848514

Account Detail

Portfolio Management Active Assets Account 828-116405-540 TOWER FAMILY FUND INC INVESTMENT ACCOUNT

MUTUAL FUNDS

OTHER MUTUAL FUNDS

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
AQR MANAGED FUTURES STRATEGY I	8/13/13	38,899.584	$10 220	$397,553.75	$411,946.59	$14,392.84 ST		
(AQMIX)	8/15/13	29,527.559	10.160	300,000.00	312,696.85	12,696.85 ST		
	12/31/13	7,400.382	10.590	78,370.05	78,370.05	0.00 ST		
	Purchases	75,827.525		775,923.80	**803,013.49**	27,089.69 ST		
Short Term Reinvestments		706.576		7,348 39	7,482.64	134.25 ST		
	Total	76,534.101		783,272.19	**810,496.13**	27,223 94 ST	—	—
Total Purchases vs Market Value				775,923.80	810,496.13			
Net Value Increase/(Decrease)					34,572.33			

Share Price $10 590, CG IAR Status FL; Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
MUTUAL FUNDS	**2.3%**	**$783,272.19**	**$810,496.13**	**$27,223.94 ST**	**$0.00** **$0.00**	—

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
TOTAL MARKET VALUE	**100.0%**	**$27,901,154.55**	**$34,673,972.30**	**$6,051,065.30 LT** **$721,752.44 ST**	**$632,967.10** **$0.00**	**1.79%**