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 , 2013, and ending , 20

Name of foundation: MICHAEL & LOUISE LYNCH CHARITABLE FOUNDATION, INC.
A Employer identification number: 27-0136524
Number and street (or P.O. box number if mail is not delivered to street address): 13 BRIGANTINE
Room/suite:
B Telephone number (see instructions): 843-785-5336
City or town, state or province, country, and ZIP or foreign postal code: HILTON HEAD, SC 29928
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) ▶ $ 1,451,879

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) (see instructions).)*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)				
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	57,275	57,275	57,275	
	5a	Gross rents	0	0	0	
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	19,797			
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)		19,797		
	8	Net short-term capital gain			6,191	
	9	Income modifications			0	
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	77,072	77,072	63,466	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule) INVESTMENT MGMT FEES	8,139	8,139	8,139	8,139
	17	Interest				
	18	Taxes (attach schedule) (see instructions)				
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	8,139	8,139	8,139	8,139
	25	Contributions, gifts, grants paid	97,100			97,100
	26	**Total expenses and disbursements.** Add lines 24 and 25	105,239	8,139	8,139	105,239
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	<28,167>			
	b	**Net investment income** (if negative, enter -0-)		68,933		
	c	**Adjusted net income** (if negative, enter -0-)			55,327	

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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	12,295	110,044	110,044
	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			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	373,496	376,528	506,395
	c	Investments—corporate bonds (attach schedule)	955,201	819,319	833,440
	11	Investments—land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,340,992	1,305,891	1,451,879
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)	NONE	NONE	
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	1,340,992	1,305,891	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, 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)	1,340,992	1,305,891	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,340,992	1,305,891	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,340,992
2	Enter amount from Part I, line 27a	2	<28,167>
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,312,825
5	Decreases not included in line 2 (itemize) ▶ NET CHANGE IN ACCRUED INVESTMENT INCOME	5	<6,934>
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,305,891

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				
b				
c	SEE ATTACHED SCHEDULES			
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	SEE ATTACHED SCHEDULES			19,797
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col (h))
	(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	
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	19,797
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	6,191

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			
2011			
2010			
2009			
2008			

2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII, line 4	8	

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 ▶ ☐ and enter 1% of Part I, line 27b	1	N/A	
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		
3	Add lines 1 and 2	3		
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5		
6	Credits/Payments:			
a	2013 estimated tax payments and 2012 overpayment credited to 2013 — 6a			
b	Exempt foreign organizations—tax withheld at source — 6b			
c	Tax paid with application for extension of time to file (Form 8868) — 6c			
d	Backup withholding erroneously withheld — 6d			
7	Total credits and payments. Add lines 6a through 6d	7		
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9		
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10		
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. ▶ $ N/A **(2)** On foundation managers. ▶ $ N/A			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *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?	4b		X
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) ▶ SOUTH CAROLINA			
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*	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 ▶ MICHAEL D LYNCH Telephone no. ▶ 843-785-5336

Located at ▶ 13 BRIGANTINE HILTON HEAD SC ZIP+4 ▶ 29928-5027

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 |

			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

			Yes	No
	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 ☒ 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)?	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 ▶ 20____ , 20____ , 20____ , 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions.)	2b		X
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20____ , 20____ , 20____ , 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ 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.)*	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)? (see instructions) . . . . ☐ Yes ☒ No

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

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

Organizations relying on a current notice regarding disaster assistance check here . . . . . . ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . ☐ Yes ☐ No

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . **6b** 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? . **7b**

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
LOUISE L. LYNCH 13 BRIGANTINE HILTON HEAD, SC 29928	PRES	NONE	NONE	NONE
MICHAEL D. LYNCH 13 BRIGANTINE HILTON HEAD, SC 29928	VP/TREA	NONE	NONE	NONE

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

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE (NO EMPLOYEES)				

Total number of other employees paid over $50,000 . . . . ▶ NONE

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE OVER $50000 /		
MANAGED INVESTMENT		
ACCOUNT FEES		
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 FOUNDATION MADE DIRECT CHARITABLE CONTRIBUTIONS TO 7 (SEVEN) OTHER	
2 501(C)(3) CHARITABLE ORGANIZATIONS TOTALLING $97,100	[illegible]
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE (NOT APPLICABLE)	NONE
2	
All other program-related investments See instructions. 3	NONE
Total. Add lines 1 through 3 ▶	NONE

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:				
a	Average monthly fair market value of securities			1a	NONE
b	Average of monthly cash balances			1b	
c	Fair market value of all other assets (see instructions)			1c	
d	**Total** (add lines 1a, b, and c)			1d	NONE
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	NONE
3	Subtract line 2 from line 1d			3	NONE
4	Cash deemed held for charitable activities. Enter 1 ½ % of line 3 (for greater amount, see instructions)			4	NONE
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	NONE
6	**Minimum investment return.** Enter 5% of line 5			6	NONE

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

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	NONE
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	-0-
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	

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				N/A
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only				
b Total for prior years: 20___,20____,20____				
3 Excess distributions carryover, if any, to 2013:				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f **Total** of lines 3a through e				
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ $ ________				
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)				
d Applied to 2013 distributable amount				
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).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount—see instructions			N/A	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				N/A
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 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				
10 Analysis of line 9:				
a Excess from 2009				
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)

1a 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 . . . . . . ▶ N/A

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

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

1 Information Regarding Foundation Managers:

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

MICHAEL D. LYNCH

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 (NOT APPLICABLE)

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:

MICHAEL D. LYNCH VP/TREASURER (843) 785-5336
13 BRIGANTINE, HILTON HEAD, SC 29928

b The form in which applications should be submitted and information and materials they should include: COMPLETE INFO ON CHARITABLE PURPOSE. PROVIDE EVIDENCE OF 501(C)(3) STATUS. PROVIDE PERCENTAGE OF DONATIONS RECEIVED USED EXCLUSIVELY FOR CHARITABLE PURPOSE (NOT INCLUDING ADMIN, OVERHEAD, TRAVEL) MARKETING & ASSOCIATED COSTS. PROVIDE DETAILED INFORMATION ON FINANCIALS & PROVIDE BUSINESS CHARITABLE REFERENCES

c Any submission deadlines:

NONE

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

NONE

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*				
SEE ATTACHED SCHEDULE			GENERAL SUPPORT	$97,100
Total . . . . ▶ 3a				$97,100
b *Approved for future payment*				
ARTS CENTER OF COASTAL CAROLINA	501(c)(3)		CONTRIBUTION PLEDGE	$70,000
COLLEGE HEIGHTS FOUNDATION OF WESTERN KENTUCKY UNIVERSITY	501(c)(3)		CONTRIBUTION PLEDGE	$10,500
Total . . . . ▶ 3b				$80,500

Part XVI-A Analysis of Income-Producing Activities

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

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . . 13 NONE

(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). (See instructions.)
	NOT APPLICABLE

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

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

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.

▶ Signature of officer or trustee

Date: 4/25/2014

Title: VP/TREASURER

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶

Firm's EIN ▶

Firm's address ▶

Phone no.

Michael & Louise Lynch

Charitable Foundation, Inc.

27-0136524

Tax Year Ended December 31, 2013

Recap of Investment Income from Dividends & Interest (plus fees)

	Interest Income	Dividends	Qual Div
Master Account	$ 106	$ 7,925	$ 7,925
Kanawha Account	$ -0-	$ 4,618	$ 4,618
Cincinnati Account	$ 44,626	$ 5	$ 0
Totals	$ 44,732	$12,543	$ 12,543

Investment Managed Account Fees:

Kanawha Management	$ 2,209
Cincinnati Asset Management	$ 5,930
Master Account (not a managed acc't)	$ 0
Totals	$ 8,139

Michael & Louise Lynch

Charitable Foundation, Inc.

27-0136524

Tax Year Ended December 31, 2013

Reconciliation of Book Value of Assets @ 12/31/2013:

	Cash	Equities	Corporate Bonds	Totals
Master Acc't	$ 26,238	$172,854	$ 0	$ 199,092
Kanawha Acc't	$ 8,024	$203,674	$ 0	$ 211,698
Cincinnati Acc't	$ 75,782	$ 0	$ 819,319	$ 895,101
Total Cost	$110,044	$376,528	$ 819,319	$1,305,891

Reconciliation of Fair Market Value of Assets @ 12/31/2012:

	Cash	Equities	Bonds	Totals
Master Acc't	$ 26,238	$226,982	$ 0	$ 253,220
Cincinnati Acc't	$ 75,782	$ 0	$835,440	$ 911,222
Kanawha Acc't	$ 8,024	$279,413	$ 0	$ 287,437
Total FMV	$110,044	$506,395	$835,440	$1,451,879

Your assets

Some prices, income and current values shown may be approximate. As a result, gains and losses may not be accurately reflected See *Important information about your statement* at the end of this document for more information

Cash

Cash and money balances

Cash and money balances may include available cash balances, UBS Bank USA deposit account balances, UBS AG Stamford Branch deposit account balances and money market mutual fund sweep balances

UBS Bank USA deposit account balances are insured by the FDIC within applicable limits, but are not protected by SIPC. UBS AG Stamford Branch deposit account balances are not insured by FDIC and are not protected by SIPC Money market sweep balances are protected by SIPC but are not insured by the FDIC See the *Important information about your statement* at the end of this document for details about those balances

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
Cash	1,041 68	0 00					
UBS BANK USA BUS ACCT	60,110 52	75,782 23					250,000 00
Total	**$61,152.20**	**$75,782.23**					

Fixed income

Corporate bonds and notes

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values Actual market values may vary and thus gains/losses may not be accurately reflected Cost basis has been adjusted for accreted original issue discount (OID) If you have made a tax election to deduct the premium amortization on taxable debt securities, you may request that UBS adjust cost basis for the bond premium amortization

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
BK OF NY MELLON CORP MED TERM NTS RATE 02.400% MATURES 01/17/17 CALLABLE ACCRUED INTEREST $163.99 CUSIP 06406HCA5 Moody A1 S&P A+ EAI. $360 Current yield 2 35% Original cost basis $15,472.50	Jun 14, 12	15,000 000	102.115	15,317 29	102 343	15,351 45	34 16	LT

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
WALT DISNEY COMPANY/THE CALL@MW+10BP RATE 01 100% MATURES 12/01/17 ACCRUED INTEREST $18 33 CUSIP 25468PCV6 Moody A2 S&P A EAI $220 Current yield 1 12%	Nov 27, 12	20,000 000	99 289	19,857 80	98.538	19,707 60	-150 20	LT
AT&T INC NTS B/E CALL@MW+15BP RATE 01 400% MATURES 12/01/17 ACCRUED INTEREST $17 50 CUSIP 00206RBM3 Moody A3 S&P A- EAI $210 Current yield 1 42%	Mar 26, 13	15,000 000	99 515	14,927 25	98 585	14,787 75	-139 50	ST
CONOCOPHILLIPS CO NTS CALL@MW+10BP RATE 01.050% MATURES 12/15/17 CALLABLE ACCRUED INTEREST $14 00 CUSIP 20826FAB2 Moody A1 S&P A EAI $315 Current yield 1 08%	Dec 04, 12	30,000 000	99 771	29,931 30	97 579	29,273 70	-657 60	LT
INTEL CORP MED TERM NTS CALL@MW+12.5BP RATE 01 350% MATURES 12/15/17 ACCRUED INTEREST $6 00 CUSIP 458140AL4 Moody. A1 S&P. A+ EAI $135 Current yield. 1 37%	Dec 04, 12	10,000 000	99 894	9,989 40	98 834	9,883 40	-106 00	LT
MORGAN STANLEY RATE 05 950% MATURES 12/28/17 ACCRUED INTEREST $14 87 CUSIP 61744YAD0 Moody· Baa2 S&P. A- EAI. $1,785 Current yield 5 21% Original cost basis· $31,902 30	Aug 14, 12	30,000.000	104 855	31,456 65	114 252	34,275 60	2,818.95	LT

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
PEPSICO INC NTS B/E CALL@MW+10BP RATE 01 250% MATURES 08/13/17 ACCRUED INTEREST $143 75 CUSIP 713448CB2 Moody. A1 S&P A- EAI $375 Current yield· 1.26%	Aug 08, 12	30,000 000	99 484	29,845 20	98 929	29,678.70	-166 50	LT
SPX CORP NTS B/E CALL@MW+50BP RATE 06 875% MATURES 09/01/17 ACCRUED INTEREST $504 16 CUSIP 784635AP9 Moody Ba3 S&P· BB+ EAI. $1,513 Current yield 6.08% Original cost basis $24,653 75	Mar 05, 13	22,000 000	110 004	24,200 95	113.000	24,860 00	659.05	ST
HEWLETT PACKARD CO CALL @ MW+30BP RATE 02 600% MATURES 09/15/17 ACCRUED INTEREST $229 66 CUSIP 428236BW2 Moody Baa1 S&P: BBB+ EAI $780 Current yield. 2 56%	Jun 12, 12	30,000.000	99 414	29,824 20	101 605	30,481.50	657 30	LT
VERIZON COMMUNICATIONS CALL@MW+10BP RATE 01 100% MATURES 11/01/17 ACCRUED INTEREST $54 99 CUSIP 92343VBF0 Moody· Baa1 S&P BBB+ EAI $330 Current yield· 1 13%	Nov 02, 12	30,000 000	99 788	29,936 40	97 290	29,187 00	-749 40	LT
GENERAL ELEC CAP CORP B/E RATE 01 600% MATURES 11/20/17 ACCRUED INTEREST $27 33 CUSIP 36962G6K5 Moody: A1 S&P. AA+ EAI $240 Current yield 1 61%	Nov 14, 12	15,000 000	99 871	14,980 65	99 342	14,901 30	-79 35	LT

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
INTL LEASE FIN CORP B/E RATE 03 875% MATURES 04/15/18 ACCRUED INTEREST $204.51 CUSIP 459745GP4 Moody Ba3 S&P BBB- EAI. $969 Current yield 3 87% Original cost basis $25,312 50	Apr 25, 13	25,000 000	101 090	25,272 69	100 250	25,062 50	-210 19	ST
CITIGROUP INC B/E RATE 01 750% MATURES 05/01/18 ACCRUED INTEREST $87 50 CUSIP 172967GS4 Moody. Baa2 S&P A- EAI $525 Current yield 1.78% Original cost basis· $30,033 00	Apr 24, 13	30,000 000	100 095	30,028 76	98.329	29,498 70	-530 06	ST
OWENS ILL INC RATE 07 800% MATURES 05/15/18 ACCRUED INTEREST $49 83 CUSIP 690768BF2 Moody B1 S&P BB- EAI. $390 Current yield. 6 75% Original cost basis· $5,750 00	Nov 20, 12	5,000 000	112 250	5,612 53	115.500	5,775 00	162 47	LT
R R DONNELLEY & SONS CO WHOLE T+50BP RATE 07 250% MATURES 05/15/18 ACCRUED INTEREST $194 54 CUSIP 257867AX9 Moody Ba3 S&P BB- EAI· $1,523 Current yield 6 39% Original cost basis $23,205 00	Aug 22, 13	21,000 000	109 778	23,053 52	113 500	23,835 00	781 48	ST

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
NRG ENERGY INC CALL@MW+50BP RATE 07.625% MATURES 01/15/18 ACCRUED INTEREST $808 67 CUSIP 629377BN1 Moody B1 S&P: BB- EAI $1,754 Current yield 6 69% Original cost basis. $25,846.25	Jan 11, 13	23,000.000	110 197	25,345 50	114 000	26,220.00	874 50	ST
MEDTRONIC INC NTS B/E CALL@MW0BP RATE 01.375% MATURES 04/01/18 ACCRUED INTEREST $68.75 CUSIP 585055BA3 Moody A2 S&P. AA- EAI $275 Current yield. 1 40%	Mar 19, 13	20,000 000	99 850	19,970 00	98 165	19,633 00	-337.00	ST
GENERAL ELEC CAP CORP NTS B/E RATE 01 625% MATURES 04/02/18 ACCRUED INTEREST $60 26 CUSIP 36962G6W9 Moody A1 S&P AA+ EAI $244 Current yield 1.64%	Mar 25, 13	15,000 000	99.709	14,956.35	98 938	14,840.70	-115 65	ST
CABLEVISION SYSTEMS CORP 0BP NTS B/E RATE 07.750% MATURES 04/15/18 ACCRUED INTEREST $376 30 CUSIP 12686CAZ2 Moody: B1 S&P. B+ EAI. $1,783 Current yield. 6.94% Original cost basis $23,467 50	Sep 20, 12	21,000 000	109 338	22,961 02	111 625	23,441.25	480 23	LT
Original cost basis $2,180 00	Nov 14, 12	2,000.000	107 341	2,146.83	111 625	2,232.50	85 67	LT
Security total		23,000 000		25,107 85		25,673 75	565 90	

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
INTL LEASE FIN CORP B/E RATE 03.875% MATURES 04/15/18 ACCRUED INTEREST $204 51 CUSIP 459745GP4 Moody. Ba3 S&P· BBB- EAI· $969 Current yield 3 87% Original cost basis $25,312 50	Apr 25, 13	25,000 000	101 090	25,272 69	100 250	25,062 50	-210 19	ST
CITIGROUP INC B/E RATE 01 750% MATURES 05/01/18 ACCRUED INTEREST $87 50 CUSIP 172967GS4 Moody Baa2 S&P. A- EAI $525 Current yield 1 78% Original cost basis $30,033 00	Apr 24, 13	30,000 000	100.095	30,028 76	98 329	29,498 70	-530 06	ST
OWENS ILL INC RATE 07 800% MATURES 05/15/18 ACCRUED INTEREST $49 83 CUSIP 690768BF2 Moody B1 S&P BB- EAI $390 Current yield. 6.75% Original cost basis· $5,750.00	Nov 20, 12	5,000 000	112 250	5,612.53	115 500	5,775.00	162 47	LT
R R DONNELLEY & SONS CO WHOLE T+50BP RATE 07 250% MATURES 05/15/18 ACCRUED INTEREST $194 54 CUSIP 257867AX9 Moody Ba3 S&P· BB- EAI $1,523 Current yield 6 39% Original cost basis $23,205.00	Aug 22, 13	21,000 000	109 778	23,053 52	113.500	23,835 00	781.48	ST

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Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
CATERPILLAR FINANCIAL SE MED TERM NTS RATE 02 450% MATURES 09/06/18 INTEREST EARNED FROM 09/06/13 1ST INTEREST PAYMENT 03/06/14 ACCRUED INTEREST $195.66 CUSIP 14912L5T4 Moody A2 S&P A EAI $613 Current yield 2 42%	Sep 03, 13	25,000 000	99.953	24,988.25	101.388	25,347 00	358 75	ST
HEALTHSOUTH CORP NTS B/E CALL@MW+50BP RATE 07 250% MATURES 10/01/18 CALLABLE ACCRUED INTEREST $271.87 CUSIP 421924BH3 Moody Ba3 S&P BB- EAI. $1,088 Current yield 6.78% Original cost basis: $16,275.00	Apr 15, 13	15,000 000	107 525	16,128 89	106 875	16,031.25	-97.64	ST
DELTA AIRLINES INC NTS FACTOR 0 821315967000 RATE 04 950% MATURES 05/23/19 CURRENT PAR VALUE 27,099 ACCRUED INTEREST $182.87 CUSIP 247361ZH4 Moody. Baa1 S&P: A+ EAI. $1,341 Current yield: 4.59%	Nov 17, 10	35,000.000	101 500	27,505 90	107 750	29,199 17	1,693 27	LT
FOREST OIL CORP CALL@MW+50BP RATE 07.250% MATURES 06/15/19 ACCRUED INTEREST $70.88 CUSIP 346091AZ4 Moody. B3 S&P B- EAI: $1,595 Current yield 7 45%	Feb 13, 13	13,000 000	100.750	13,097 50	97.375	12,658.75	-438 75	ST
	Dec 16, 13	9,000 000	98 625	8,876.25	97 375	8,763 75	-112 50	ST
Security total		22,000 000		21,973 75		21,422 50	-551 25	

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
AMERIGAS PARTNER								
MED TERM NTS								
RATE 06 250% MATURES 08/20/19								
CALLABLE								
ACCRUED INTEREST $204 68								
CUSIP 030981AG9								
Moody Ba3								
EAI $563 Current yield 5.81%								
Original cost basis $9,562 50	Jun 05, 13	9,000 000	105 749	9,517 44	107 500	9,675.00	157 56	ST
IRON MTN INC NTS B/E								
OBP								
RATE 07 750% MATURES 10/01/19								
CALLABLE								
ACCRUED INTEREST $426 25								
CUSIP 46284PAN4								
Moody B1 S&P B								
EAI: $1,705 Current yield· 6 95%								
Original cost basis $22,600.00	Sep 11, 12	20,000 000	110 950	22,190 10	111 500	22,300.00	109 90	LT
Original cost basis $2,265 00	Jan 22, 13	2,000 000	111.652	2,233 04	111 500	2,230 00	-3 04	ST
Security total		22,000 000		24,423 14		24,530.00	106 86	
COMMUNITY HEALTH SYSTEMS								
OBP								
RATE 08 000% MATURES 11/15/19								
CALLABLE								
ACCRUED INTEREST $224.88								
CUSIP 12543DAL4								
Moody. B3 S&P B								
EAI· $1,760 Current yield 7 37%								
Original cost basis $6,540 00	Oct 23, 12	6,000 000	107 748	6,464 88	108 500	6,510 00	45 12	LT
Original cost basis $17,440 00	Nov 30, 12	16,000.000	107.838	17,254 17	108 500	17,360 00	105 83	LT
Security total		22,000 000		23,719 05		23,870 00	150.95	

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
CHESAPEAKE OILFIELD OPER CALL@MW+50BP RATE 06 625% MATURES 11/15/19 CALLABLE ACCRUED INTEREST $186.23 CUSIP 165258AB0 Moody· Ba3 S&P BB- EAI $1,458 Current yield. 6 32%								
Original cost basis $13,617 50	Dec 03, 13	13,000 000	104 696	13,610 60	104 750	13,617 50	6.90	ST
Original cost basis $9,427 50	Dec 11, 13	9,000.000	104 711	9,424 07	104 750	9,427.50	3 43	ST
Security total		22,000 000		23,034 67		23,045.00	10 33	
ZAYO GROUP LLC/ZAYO CPTL CALL@MW+50BP RATE 08.125% MATURES 01/01/20 CALLABLE ACCRUED INTEREST $690.62 CUSIP 989194AG0 Moody· B1 S&P B EAI. $1,381 Current yield 7 42%								
Original cost basis $18,763 75	Oct 28, 13	17,000 000	110 128	18,721.84	109.500	18,615.00	-106 84	ST
SUBURBAN PROPANE CALL@ MW+50BP RATE 07.375% MATURES 03/15/20 CALLABLE ACCRUED INTEREST $477 73 CUSIP 864486AC9 Moody Ba3 S&P BB- EAI $1,623 Current yield 6 89%								
Original cost basis: $24,200 00	May 14, 13	22,000.000	109 223	24,029 18	107 000	23,540 00	-489 18	ST

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
UNITED RENTALS NA INC CALL@MW+50BP RATE 07 375% MATURES 05/15/20 ACCRUED INTEREST $197.89 CUSIP 911365BA1 Moody B2 S&P BB- EAI $1,549 Current yield 6 65% Original cost basis $22,942 50	Oct 02, 13	21,000 000	108 959	22,881 52	110 875	23,283 75	402 23	ST
ALLIANT TECHSYSTEMS INC 0BP NTS B/E RATE 06 875% MATURES 09/15/20 CALLABLE ACCRUED INTEREST $465 59 CUSIP 018804AP9 Moody B1 S&P B+ EAI· $1,581 Current yield 6 37% Original cost basis· $25,084 37	Feb 28, 13	23,000 000	108 220	24,890 72	107.875	24,811.25	-79 47	ST
DAVITA INC B/E CALL@MW+50BP RATE 06.625% MATURES 11/01/20 ACCRUED INTEREST $110.41 CUSIP 23918KAM0 Moody B2 S&P B EAI. $663 Current yield: 6 18%								
Original cost basis $7,428.75	Sep 17, 13	7,000 000	105.918	7,414 29	107 250	7,507 50	93 21	ST
Original cost basis. $3,202.50	Oct 02, 13	3,000 000	106.553	3,196 60	107 250	3,217 50	20 90	ST
Security total		10,000 000		10,610 89		10,725 00	114 11	
CCO HLDGS LLC/CAP CORP 0BP RATE 06 500% MATURES 04/30/21 CALLABLE ACCRUED INTEREST $227 49 CUSIP 1248EPAU7 Moody B1 S&P BB- EAI· $1,365 Current yield 6 33%	Sep 18, 13	21,000 000	103 250	21,682 50	102 750	21,577 50	-105 00	ST

continued next page

Your assets › **Fixed income** › **Corporate bonds and notes** (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Total		**$796,000.000**		**$819,319.22**		**$827,743.37**	**$8,424.15**	

Total accrued interest: $7,696.75

Total estimated annual income: $36,572

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**75,782.23**	**8.32%**	**75,782.23**		
Fixed income	Corporate bonds and notes	827,743 37		819,319 22	36,572 00	8,424 15
	Total accrued interest	7,696.75				
	Total fixed income	**835,440.12**	**91.68%**	**819,319.22**	**36,572.00**	**8,424.15**
Total		**$911,222.35**	**100.00%**	**$895,101.45**	**$36,572.00**	**$8,424.15**

Account activity this month

	Date	Activity	Description	Amount ($)
Deposits and other funds credited	Dec 17	Payment	ARCH COAL INC NTS B/E 08 750% 080116 DTD080110CALL@MW+50BP CONSENT FOR CHANGE OF TERMS	750.00
	Total deposits and other funds credited			**$750.00**

	Date	Activity	Description	Amount ($)
Dividend and interest income				
Taxable interest	Dec 2	Interest	AT&T INC NTS B/E 01 400% 120117 DTD121112FC060113 CALL@MW+15BP PAID ON 15000 AS OF 12/01/13 CUSIP. 00206RBM3	105 00
	Dec 2	Interest	QWEST CORP NTS B/E 06 500% 060117 DTD120107CALL@MW+50BP PAID ON 30000 AS OF 12/01/13 CUSIP 74913GAT2	975.00
	Dec 2	Interest	UNITED TECHNOLOGIES CORP 01 800% 060117 DTD060112 CALL@MW+15BP PAID ON 30000 AS OF 12/01/13 CUSIP· 913017BU2	270 00
	Dec 2	Interest	WALT DISNEY COMPANY/THE 01.100% 120117 DTD113012FC060113 CALL@MW+10BP PAID ON 20000 CUSIP 25468PCV6	110 00
	Dec 6	Interest	UBS BANK USA BUSINESS ACCOUNT AS OF 12/05/13	1 94

continued next page

Your assets

Some prices, income and current values shown may be approximate As a result, gains and losses may not be accurately reflected. See *Important information about your statement* at the end of this document for more information

Cash

Cash and money balances

Cash and money balances may include available cash balances, UBS Bank USA deposit account balances, UBS AG Stamford Branch deposit account balances and money market mutual fund sweep balances

UBS Bank USA deposit account balances are insured by the FDIC within applicable limits, but are not protected by SIPC UBS AG Stamford Branch deposit account balances are not insured by FDIC and are not protected by SIPC Money market sweep balances are protected by SIPC but are not insured by the FDIC. See the *Important information about your statement* at the end of this document for details about those balances

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
UBS BANK USA BUS ACCT	12,566 42	24,598 26					250,000.00

Cash alternatives

Money market funds

Money market funds are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency Although money market funds seek to preserve the value of your investment at $1 00 per share, it is possible to lose money by investing in these funds

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

Cost basis is the total purchase cost of the security, including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested.

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Investment return ($)	Holding period
UBS SELECT PRIME INSTITUTIONAL FUND									
	1,639.960	1 000	1,639 96	1,639 96	1.000	1,639 96			

Your assets (continued)

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ABBOTT LABS Symbol ABT Exchange NYSE EAI $132 Current yield. 2.30%	Aug 19, 11	75.000	23 085	1,731.42	38 330	2,874 75	1,143 33	LT
	Jan 16, 13	75 000	33.890	2,541 77	38 330	2,874 75	332 98	ST
Security total		150 000	28 488	4,273 19		5,749 50	1,476 31	
ASTRAZENECA PLC SPON ADR Symbol: AZN Exchange NYSE EAI $840 Current yield· 4 72%	Dec 2, 09	300 000	46.017	13,805 25	59 370	17,811.00	4,005 75	LT
AT&T INC Symbol T Exchange NYSE EAI· $552 Current yield· 5.23%	Jan 9, 12	300 000	29.947	9,031 35^{2}	35 160	10,548 00	1,516 65	LT
BRITISH AMER TOBACCO PLC GB SPON ADR Symbol BTI Exchange· AMEX EAI $865 Current yield 4 03%	Jan 6, 12	200 000	94 580	18,916 12	107 420	21,484 00	2,567 88	LT
COLGATE PALMOLIVE CO Symbol CL Exchange NYSE EAI $408 Current yield· 2 09%	Jan 5, 12	300 000	45 392	13,617 62	65 210	19,563 00	5,945 38	LT
CSX CORPORATION Symbol· CSX Exchange. NYSE EAI $210 Current yield 2 09%	Jan 12, 12	350 000	23 560	8,246 25	28 770	10,069.50	1,823 25	LT
DOMINION RESOURCES INC VA (NEW) Symbol· D Exchange NYSE EAI $563 Current yield 3 48%	Jan 6, 12	250.000	52 367	13,091.86	64 690	16,172 50	3,080 64	LT
FRONTIER COMMUNICATIONS CORP Symbol· FTR Exchange OTC EAI: $200 Current yield 8 60%	Jan 20, 12	500.000	5 024	2,512 41	4 650	2,325 00	-187 41	LT
JOHNSON & JOHNSON COM Symbol JNJ Exchange NYSE EAI· $792 Current yield 2 88%	Jan 5, 12	300 000	65 476	19,643.07	91 590	27,477 00	7,833 93	LT

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Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
JPMORGAN CHASE & CO Symbol JPM Exchange NYSE EAI $76 Current yield 2 60%	Aug 19, 11	50 000	34 655	1,732 75	58 480	2,924 00	1,191 25	LT
KRAFT FOODS GROUP INC Symbol KRFT Exchange OTC EAI $139 Current yield 3 91%	Aug 18, 11	66 000	35 150	2,319 96	53 910	3,558 06	1,238.10	LT
MONDELEZ INTL INC Symbol. MDLZ Exchange. OTC EAI $112 Current yield· 1 59%	Aug 18, 11	200 000	21.829	4,365 85	35 300	7,060.00	2,694.15	LT
PEPSICO INC Symbol PEP Exchange: NYSE EAI $624 Current yield· 2.74%	Nov 27, 09	150 000	62 220	9,333.00	82.940	12,441 00	3,108.00	LT
	Aug 18, 11	125.000	63 042	7,880 25	82 940	10,367 50	2,487.25	LT
Security total		275 000	62 594	17,213.25		22,808.50	5,595.25	
PFIZER INC Symbol· PFE Exchange NYSE EAI $416 Current yield 3.40%	Jan 9, 12	400.000	21 891	8,756 63	30 630	12,252 00	3,495 37	LT
PHILIP MORRIS INTL INC Symbol PM Exchange. NYSE EAI· $376 Current yield 4 32%	Jan 6, 12	100 000	77 719	7,771 95	87.130	8,713 00	941 05	LT
PROCTER & GAMBLE CO Symbol: PG Exchange. NYSE EAI: $301 Current yield: 2 96%	Aug 19, 11	125 000	61.342	7,667.75	81 410	10,176 25	2,508.50	LT
3M CO Symbol· MMM Exchange NYSE EAI· $342 Current yield· 2.44%	Aug 17, 11	100.000	81 052	8,105 25	140 250	14,025.00	5,919.75	LT
Total		–		**$161,070.51**		**$212,716.31**	**$51,645.80**	

Total estimated annual income: $6,948

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[2] Value has been adjusted to include the amount of the disallowed loss as a result of a Wash Sale transaction.

Your assets › **Equities** (continued)

Closed end funds & Exchange traded products

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

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Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the *realized gain or loss* for tax reporting purposes

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
EATON VANCE TAX ADVANTAGED									
DIVID INCOME FUND									
Symbol: EVT									
Trade date. May 18, 12	750.000	15.711	11,783 34	11,783 34	19.020	14,265 00	2,481 66	2,481 66	LT
EAI $968 Current yield: 6.79%									

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**24,598.26**	**9.71%**	**24,598.26**		
Cash alternatives	**Money market funds**	**1,639.96**	**0.65%**	**1,639.96**		
Equities	Common stock	212,716.31		161,070 51	6,948 00	51,645.80
	Closed end funds & Exchange traded products	14,265.00		11,783 34	968 00	2,481 66
	Total equities	**226,981.31**	**89.64%**	**172,853.85**	**7,916.00**	**54,127.46**
Total		**$253,219.53**	**100.00%**	**$199,092.07**	**$7,916.00**	**$54,127.46**

Account activity this month

	Date	Activity	Description	Amount ($)
Deposits and other funds credited	Dec 17	Transfer	JOURNAL FROM MV 26572 MICHAEL & LOUISE LYNCH	450 00
	Dec 17	Transfer	JOURNAL FROM MV 26627 MICHAEL & LOUISE LYNCH	10,900.00
	Total deposits and other funds credited			**$11,350.00**

	Date	Activity	Description	Amount ($)
Dividend and interest income				
Taxable dividends	Dec 3	Dividend	PFIZER INC PAID ON 400	96.00

continued next page

Account name: MICHAEL & LOUISE LYNCH
Friendly account name: Foundtn Kanawha
Account number: MV 26572 GO

Your Financial Advisor:
MASSIE/MASSIE
703-734-8400/800-255-8045

Your assets

Some prices, income and current values shown may be approximate As a result, gains and losses may not be accurately reflected See *Important information about your statement* at the end of this document for more information.

Cash

Cash and money balances

Cash and money balances may include available cash balances, UBS Bank USA deposit account balances, UBS AG Stamford Branch deposit account balances and money market mutual fund sweep balances

UBS Bank USA deposit account balances are insured by the FDIC within applicable limits, but are not protected by SIPC UBS AG Stamford Branch deposit account balances are not insured by FDIC and are not protected by SIPC. Money market sweep balances are protected by SIPC but are not insured by the FDIC See the *Important information about your statement* at the end of this document for details about those balances

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
UBS BANK USA BUS ACCT	1,518 34	2,310 58					250,000 00
UBS SELECT PRIME CAPITAL	6,163 39	5,713.53	1 00	0.01%	Nov 1 to Nov 30	30	
Total	**$7,681.73**	**$8,024.11**					

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ABBOTT LABS Symbol· ABT Exchange NYSE EAI $66 Current yield 2 30%	Dec 1, 10	75 000	22 561	1,692 13	38.330	2,874 75	1,182 62	LT
ABBVIE INC COM Symbol· ABBV Exchange. NYSE EAI $120 Current yield 3 03%	Dec 1, 10	75.000	24 466	1,834 97	52 810	3,960 75	2,125 78	LT
AMERICAN INTL GROUP INC COM NEW Symbol AIG Exchange: NYSE EAI· $3 Current yield: 0 84%	Aug 11, 06	7.000	1,217.101	8,519 71	51.050	357.35	-8,162 36	LT

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Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
APACHE CORP								
Symbol· APA Exchange: NYSE								
EAI $40 Current yield 0 93%	Feb 25, 10	50 000	100 400	5,020.00	85 940	4,297 00	-723 00	LT
BAKER HUGHES INC								
Symbol: BHI Exchange· NYSE								
EAI· $75 Current yield 1.09%	Nov 3, 11	75 000	56.530	4,239.75	55 260	4,144 50	-95 25	LT
	Feb 28, 12	50 000	50 810	2,540 50	55 260	2,763 00	222 50	LT
Security total		125 000	54 242	6,780 25		6,907 50	127.25	
BARD C R INC								
Symbol. BCR Exchange NYSE								
EAI· $63 Current yield 0 63%	Apr 28, 09	75 000	71 920	5,394 00	133 940	10,045 50	4,651 50	LT
BECTON DICKINSON & CO								
Symbol BDX Exchange. NYSE								
EAI $164 Current yield 1 98%	Jan 18, 08	75 000	87 990	6,599 25	110 490	8,286 75	1,687 50	LT
BERKSHIRE HATHAWAY INC NEW CL B								
Symbol BRK B Exchange. NYSE	Apr 28, 09	100 000	58 580	5,858 00	118.560	11,856 00	5,998 00	LT
CATERPILLAR INC								
Symbol CAT Exchange NYSE								
EAI $240 Current yield 2 64%	Jul 31, 06	50 000	70 560	3,528 00	90 810	4,540.50	1,012 50	LT
	Oct 25, 13	50 000	84 400	4,220 00	90 810	4,540 50	320 50	ST
Security total		100 000	77 480	7,748 00		9,081 00	1,333 00	
CERNER CORP								
Symbol CERN Exchange: OTC	Jul 31, 06	200 000	10.002	2,000 50	55 740	11,148 00	9,147 50	LT
COLGATE PALMOLIVE CO								
Symbol CL Exchange NYSE								
EAI. $204 Current yield· 2 09%	Sep 17, 10	150 000	38 558	5,783 70	65 210	9,781 50	3,997 80	LT
DEVON ENERGY CORP NEW								
Symbol· DVN Exchange NYSE								
EAI· $66 Current yield 1 42%	Dec 18, 09	75 000	69 840	5,238 00	61 870	4,640 25	-597 75	LT
DU PONT DE NEMOURS								
Symbol DD Exchange. NYSE								
EAI $180 Current yield 2 77%	Dec 17, 08	100 000	27 016	2,701.68	64 970	6,497 00	3,795.32	LT

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Your assets ▸ **Equities** ▸ **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ECOLAB INC Symbol: ECL Exchange NYSE EAI $110 Current yield 1 05%	Jul 24, 09	100 000	39.159	3,915 90	104 270	10,427 00	6,511 10	LT
EMC CORP MASS Symbol EMC Exchange NYSE EAI $160 Current yield· 1 59%	Jul 31, 06	300 000	10 270	3,081.00	25 150	7,545.00	4,464.00	LT
	Aug 9, 11	100 000	22 100	2,210 00	25 150	2,515 00	305.00	LT
Security total		400 000	13 228	5,291 00		10,060 00	4,769.00	
EMERSON ELECTRIC CO Symbol. EMR Exchange. NYSE EAI· $129 Current yield 2 45%	Apr 28, 09	75 000	32 409	2,430 71	70.180	5,263 50	2,832.79	LT
ENSCO PLC CL A Symbol ESV Exchange NYSE EAI. $338 Current yield 3.94%	Aug 12, 09	100 000	42 175	4,217 50	57 180	5,718 00	1,500 50	LT
	Aug 9, 11	50 000	42 580	2,129 00	57.180	2,859 00	730.00	LT
Security total		150 000	42.310	6,346 50		8,577 00	2,230.50	
FMC CORP NEW Symbol FMC Exchange NYSE EAI $54 Current yield: 0.72%	Jul 24, 09	100.000	22 465	2,246 50	75 460	7,546 00	5,299 50	LT
GENL ELECTRIC CO Symbol GE Exchange NYSE EAI $132 Current yield 3 14%	Oct 25, 13	150 000	25 866	3,879 95	28 030	4,204 50	324.55	ST
HEWLETT PACKARD CO Symbol· HPQ Exchange: NYSE EAI· $87 Current yield: 2 07%	Feb 20, 08	150 000	46 981	7,047 24	27 980	4,197 00	-2,850 24	LT
INTEL CORP Symbol: INTC Exchange. OTC EAI: $270 Current yield 3 47%	Dec 17, 08	300 000	15 457	4,637 34	25 955	7,786 50	3,149 16	LT
JOHNSON & JOHNSON COM Symbol JNJ Exchange. NYSE EAI $264 Current yield 2 88%	Jul 31, 06	100 000	62 580	6,258 00	91 590	9,159 00	2,901.00	LT
JPMORGAN CHASE & CO Symbol JPM Exchange NYSE EAI $304 Current yield 2 60%	May 2, 08	200 000	48 740	9,748 00	58 480	11,696.00	1,948 00	LT

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Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
LOWES COMPANIES INC								
Symbol· LOW Exchange NYSE								
EAI $252 Current yield 1 45%	Apr 26, 11	150 000	26 378	3,956 70	49.550	7,432 50	3,475 80	LT
	May 27, 11	100 000	24 358	2,435 80	49.550	4,955.00	2,519 20	LT
	Aug 9, 11	100 000	18.699	1,869 92	49 550	4,955 00	3,085 08	LT
Security total		350.000	23 607	8,262 42		17,342 50	9,080 08	
METLIFE INC								
Symbol MET Exchange NYSE								
EAI· $165 Current yield 2 04%	Aug 10, 12	150 000	34 759	5,213 91	53 920	8,088 00	2,874 09	LT
MICROSOFT CORP								
Symbol MSFT Exchange· OTC								
EAI: $336 Current yield 2 99%	Jul 31, 06	300.000	24.150	7,245 00	37 410	11,223 00	3,978 00	LT
NATL-OILWELLVARCO INC								
Symbol NOV Exchange NYSE								
EAI $78 Current yield 1 31%	Feb 25, 11	75 000	78 860	5,914 50	79 530	5,964 75	50 25	LT
NORFOLK STHN CORP								
Symbol NSC Exchange NYSE								
EAI $208 Current yield 2 24%	Aug 16, 06	100 000	44 870	4,487 00	92.830	9,283 00	4,796 00	LT
ORACLE CORP								
Symbol ORCL Exchange NYSE								
EAI $72 Current yield: 1 25%	Mar 21, 13	150 000	32 475	4,871 25	38 260	5,739 00	867 75	ST
PARKER HANNIFIN CORP								
Symbol PH Exchange NYSE								
EAI· $135 Current yield 1 40%	Jan 18, 08	75 000	61 740	4,630 50	128 640	9,648.00	5,017 50	LT
TIDEWATER INC								
Symbol TDW Exchange NYSE								
EAI $100 Current yield 1 69%	Sep 17, 10	100.000	41 888	4,188 84	59 270	5,927 00	1,738 16	LT
TUPPERWARE BRANDS CORP								
Symbol TUP Exchange NYSE								
EAI $310 Current yield 2 62%	Oct 19, 11	75.000	54 410	4,080 75	94 530	7,089 75	3,009 00	LT
	Jun 4, 12	50 000	51 950	2,597 50	94 530	4,726 50	2,129 00	LT
Security total		125 000	53 426	6,678 25		11,816 25	5,138 00	

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Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
UNILEVER NV N Y SHS NEW NETHERLANDS SPON SPON ADR Symbol· UN Exchange NYSE EAI $178 Current yield· 2.95%	Oct 19, 11	150 000	33.326	4,998 90	40 230	6,034.50	1,035 60	LT
WELLS FARGO & CO NEW Symbol WFC Exchange: NYSE EAI: $59 Current yield. 2.65%	Jul 31, 06	34 000	275 573	9,369 50	45 400	1,543.60	-7,825 90	LT
	Aug 16, 06	15 000	263 629	3,954 44	45 400	681.00	-3,273.44	LT
Security total		49.000	271.917	13,323.94		2,224 60	-11,099 34	
3M CO Symbol. MMM Exchange· NYSE EAI: $342 Current yield. 2.44%	Aug 16, 06	50.000	70 740	3,537 00	140.250	7,012 50	3,475 50	LT
	Aug 9, 11	50 000	80 430	4,021 50	140 250	7,012 50	2,991.00	LT
Security total		100 000	75 585	7,558 50		14,025 00	6,466.50	
Total				**$194,344.34**		**$275,965.45**	**$81,621.11**	

Total estimated annual income: $5,304

Closed end funds & Exchange traded products

Total reinvested is the total of all reinvested dividends. It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot.

Cost basis is the total purchase cost of the security, including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes.

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes

Investment return is the current value minus the amount you invested. It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
POWERSHARES WILDERHILL CLEAN ENERGY PORTFOLIO Symbol· PBW Trade date. Jul 31, 06 EAI: $74 Current yield 2 19%	530.000	17 510	9,280.30	9,280 30	6 390	3,386.70	-5,893 60	-5,893.60	LT

Your'assets › **Equities** (continued)

Warrants

Holding	Trade date	Number of warrants	Purchase price per warrant ($)	Cost basis ($)	Price per warrant on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
WARRANTS AMERICAN INTL GROUP INC Expires Jan 19, 21	Jan 20, 11	3 000	16 290	48 87	20 250	60.75	11 88	LT

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**8,024.11**	**2.79%**	**8,024.11**		
Equities	Common stock	275,965 45		194,344 34	5,304.00	81,621 11
	Closed end funds & Exchange traded products	3,386 70		9,280 30	74 00	-5,893.60
	Warrants	60.75		48 87		11 88
	Total equities	**279,412.90**	**97.21%**	**203,673.51**	**5,378.00**	**75,739.39**
Total		**$287,437.01**	**100.00%**	**$211,697.62**	**$5,378.00**	**$75,739.39**

Account activity this month

	Date	Activity	Description	Amount ($)
Dividend and interest income				
Taxable dividends	Dec 2	Dividend	INTEL CORP PAID ON 300 AS OF 12/01/13	67 50
	Dec 2	Dividend	WELLS FARGO & CO NEW PAID ON 49 AS OF 12/01/13	14 70
	Dec 4	Dividend	UBS SELECT PRIME CAPITAL FUND AS OF 12/03/13	0 04
	Dec 6	Dividend	PARKER HANNIFIN CORP PAID ON 75	33 75
	Dec 10	Dividend	EMERSON ELECTRIC CO PAID ON 75	32 25
	Dec 10	Dividend	JOHNSON & JOHNSON COM PAID ON 100	66 00
	Dec 10	Dividend	NORFOLK STHN CORP PAID ON 100	52.00
	Dec 11	Foreign Dividend	UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR PAID ON 150 CUSIP 904784709	55.17
	Dec 12	Dividend	MICROSOFT CORP PAID ON 300	84 00
	Dec 12	St Cap Gain	UBS SELECT PRIME CAPITAL FUND AS OF 12/11/13	0.10
	Dec 12	Dividend	3M CO PAID ON 100	63 50
	Dec 13	Dividend	DU PONT DE NEMOURS PAID ON 100	45.00

continued next page

Michael & Louise Lynch

Charitable Foundation, Inc.

EIN 27-0136524

Reconciliation of Capital Gain Income (Loss) for 12/31/2013

	Net STCG	Net STCL	Net LTCG	Net LTCL
Master Account	0	- 45	$ 692	$ - 118
Kanawha Account	$ 0	0	$ 8,682	$ 0
Cincinnati Account	$ 7,562	$-1,326	$ 5,669	$-1,319
Totals	$ 7,562	$-1,371	$15,043	$-1,437

Net Short Term Capital Gains	$ 6,191
Net Long Term Capital Gains	$13,606
Total Capital Gains	$19,797

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Summary Holdings Activity **Realized Gain/Loss** Statements and Reports Forms Alt Investment Tool

Select Account (MV 26547) Foundatn-Master

Year 2013 [Go]

2013 Realized Gain/Loss Summary for (MV 26547) Foundatn-Master

	Gain	Loss	Total
Short Term	$0.00	$-44.84	$-44 84
Long Term	$692.28	$-118.13	$574 15
Term Not Applicable	$0 00	$0.00	$0 00
Portfolio Total*:	**$692.28**	**$-162.97**	**$529.31**

2013 Realized Gain/Loss Summary for (MV 26547) Foundatn-Master

Description	Ticker/Cusip	Quantity	Purchase Amount	Sale Amount	Realized Gain/Loss		More Info
ABBVIE INC COM	ABBV	75 000	$1,877.58	$2,565 34	$687.76	36.63%	Cost Basis
PUTNAM SHORT DURATION	PSDTX	2,990 868	$30,033.53	$29,993.16	$-40.37	-0.13%	Cost Basis
WESTERN ASSET SHORT-TERM	SSTLX	12,119 212	$47,261.81	$47,143.73	$-118.08	-0 25%	Cost Basis
Portfolio Totals*:			**$79,172.92**	**$79,702.23**	**$529.31**	**0.67%**	

**Total realized gain/loss does not include positions without a cost basis*

Please Note Cost Basis details for equities include intraday transactions All other products are not adjusted for intraday activities

Please Note The "Realized Gain/Loss" information may include calculations based upon non- UBS Financial Services Inc cost basis information The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services Inc In addition, if this report contains positions with unavailable cost basis, the realized gain/loss for these positions are excluded in the calculation for the Total Realized Gain/Loss As a result these figures may not be accurate and are provided for informational purposes only Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise Rely only on year-end tax forms when preparing your tax return

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Summary Holdings Activity **Realized Gain/Loss** Statements and Reports Forms Alt Investment Tool

Select Account (MV 26627) Foundation -CAM **Year** 2013 Go

2013 Realized Gain/Loss Summary for (MV 26627) Foundation -CAM

	Gain	Loss	Total
Short Term	$7,561 89	$-1,326 00	$6,235 89
Long Term	$5,669 40	$-1,319 86	$4,349 54
Term Not Applicable	$0 00	$0 00	$0 00
Portfolio Total*:	**$13,231.29**	**$-2,645.86**	**$10,585 43**

2013 Realized Gain/Loss Summary for (MV 26627) Foundation -CAM

Description	Ticker/Cusip	Quantity	Purchase Amount	Sale Amount	Realized Gain/Loss		More Info
ARCH COAL INC NTS B/E	039380AB6	25,000 000	$25,832 21	$25,481 25	$-350 96	-1 36%	Cost Basis
BOEING CAPITAL CORP NTS	097014AN4	20,000 000	$20,356 20	$20,831 40	$475 20	2 33%	Cost Basis
FOREST OIL CORP	346091AZ4	11,000 000	$11,072 50	$11,304 37	$231 87	2 09%	Cost Basis
FOREST OIL CORP NTS B/E	346091BE0	3,000 000	$3,112 50	$3,213 75	$101 25	3 25%	Cost Basis
FERRELLGAS LP NTS B/E	315292AJ1	25,000 000	$27,160 40	$26,300 00	$-860 40	-3 17%	Cost Basis
CITIGROUP INC NTS B/E	172967FD8	35,000 000	$36,310 05	$37,648 80	$1,338 75	3 69%	Cost Basis
CHESAPEAKE ENERGY CORP	165167BS5	25,000 000	$25,565 00	$27,500 00	$1,935 00	7 57%	Cost Basis
DAVITA INC B/E	23918KAL2	9,000 000	$9,695 70	$9,720 00	$24 30	0.25%	Cost Basis
INTL LEASE FIN CORP NTS	459745GG4	23,000 000	$26,047 50	$27,398 75	$1,351 25	5 19%	Cost Basis
R R DONNELLEY & SONS CO	257867AV3	30,000 000	$32,775 00	$33,000 00	$225 00	0.69%	Cost Basis
DONNELLEY (R R) & SONS	257867AT8	25,000 000	$24,755 00	$27,750 00	$2,995 00	12 10%	Cost Basis
CONSTELLATION BRANDS INC	21036PAF5	21,000 000	$24,543 75	$24,465 00	$-78 75	-0 32%	Cost Basis
EQUINIX INC B/E	29444UAJ5	17,000 000	$18,763 58	$18,834 30	$70 72	0 38%	Cost Basis
GRAPHIC PACKAGING INTL	38869PAH7	30,000 000	$33,375 00	$33,187 50	$-187 50	-0 56%	Cost Basis
LOCKHEED MARTIN CORP B/E	539830AX7	30,000 000	$30,456 30	$30,660 90	$204 60	0 67%	Cost Basis
HCA INC B/E	404119AR0	24,000 000	$24,960 00	$26,280 00	$1,320 00	5 29%	Cost Basis
CCO HLDGS LLC/CAP CORP	1248EPAS2	23,000 000	$24,897 50	$24,380 00	$-517 50	-2 08%	Cost Basis
MGM GRAND INC CALL @ M/W	552953BB6	22,000 000	$23,925 00	$24,695 00	$770 00	3 22%	Cost Basis
AES CORP NTS	00130HBH7	23,000 000	$25,773 33	$27,140 00	$1,366 67	5 30%	Cost Basis
MOOG INC NTS B/E	615394AJ2	22,000 000	$23,457 50	$23,100 00	$-357 50	-1 52%	Cost Basis
PEABODY ENERGY CORP	704549AE4	25,000 000	$28,375 00	$28,750 00	$375 00	1 32%	Cost Basis
NRG ENERGY INC NTS B/E	629377BR2	22,000 000	$23,540 00	$23,622 50	$82 50	0 35%	Cost Basis
UNITED RENTALS NA INC	911365AU8	7,000 000	$8,004 50	$7,866 25	$-138 25	-1 73%	Cost Basis
PNC FUNDING CORP	693476BG7	30,000 000	$32,305 20	$32,557 80	$252 60	0 78%	Cost Basis
HEALTHSOUTH CORP NTS B/E	421924BH3	1,000 000	$1,076 50	$1,030 00	$-46 50	-4 32%	Cost Basis
VULCAN MATERIALS CO NTS	929160AJ8	1,000 000	$996 92	$1,000 00	$3 08	0 31%	Cost Basis
Portfolio Totals*:			**$567,132.14**	**$577,717.57**	**$10,585.43**	**1.87%**	

Total realized gain/loss does not include positions without a cost basis

Please Note Cost Basis details for equities include intraday transactions All other products are not adjusted for intraday activities

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Summary Holdings Activity **Realized Gain/Loss** Statements and Reports Forms Alt Investment Tool

Select Account (MV 26572) Foundtn Kanawha ▾ **Year** 2013 ▾ Go

2013 Realized Gain/Loss Summary for (MV 26572) Foundtn Kanawha

	Gain	Loss	Total
Short Term	$0.00	$0.00	$0.00
Long Term	$8,681 97	$0.00	$8,681.97
Term Not Applicable	$0.00	$0 00	$0.00
Portfolio Total*:	**$8,681.97**	**$0.00**	**$8,681.97**

2013 Realized Gain/Loss Summary for (MV 26572) Foundtn Kanawha

Description	Ticker/Cusip	Quantity	Purchase Amount	Sale Amount	Realized Gain/Loss		More Info
ADOBE SYSTEMS INC	ADBE	200.000	$5,964.81	$8,440.69	$2,475 88	41.51%	Cost Basis
CERNER CORP	CERN	50 000	$1,000.25	$4,755 32	$3,755.07	375 41%	Cost Basis
MYLAN INC	MYL	200 000	$3,595.56	$6,046 58	$2,451 02	68 17%	Cost Basis
Portfolio Totals*:			**$10,560.62**	**$19,242.59**	**$8,681.97**	**82.21%**	

Total realized gain/loss does not include positions without a cost basis

Please Note Cost Basis details for equities include intraday transactions All other products are not adjusted for intraday activities

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Michael & Louise Lynch Charitable Foundation, Inc.

EIN 27-0136524

Tax Year Ended December 31, 2013

Schedule of Support & Donations:

	Name	Address	Relationship	Purpose	Status	Amount
1.	St. Jude's Children's Hospital	501 St. Jude Place Memphis, TN 38105	None	General Support Support	501(c)(3)	$ 100
2.	Western Kentucky University	College Heights Foundation 1906 College Heights Blvd. Bowling Green, KY 42101	None	General Support	501(c)(3)	$55,500
3.	Marine Corps Scholarship Foundation	121 S. St. Asaph St. Alexandria, VA 22314	None	General Support	501(c)(3)	$ 1,500
4.	Arts Center of Coastal Carolina	14 Shelter Cove Lane Hilton Head Island, SC 29928-3543	None	General Support	501(c)(3)	$20,000
5.	Juvenile Diabetes Research Foundation Capitol Chapter	1400 K Street NW, Suite 725 Washington, DC 20005	None	General Support	501(c)(3)	$5,000

6.	Hilton Head Humane Association	10 Humane Way Hilton Head Island, SC 29926-1430	None	General Support	501(c)(3)	$5,000
7.	Western Kentucky University College Heights Foundation	1906 College Heights Blvd Bowling Green, KY 42101	None	General Support	501(c)(3)	$10,000
	i.					$97,100