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## Return of Private Foundation

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

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► Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

2013

For calendar year 2013 or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

Name of foundation

THE CHATHAM FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

660 DORSET ROAD

City or town, state or province, country, and ZIP or foreign postal code

DEVON, PA 19333

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

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

I Fair market value of all assets at end of year **9,930,888.** (from Part II, col. (c), line 16) J Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_

► \$ 9,930,888. (Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		33.	33.		STATEMENT 1
4 Dividends and interest from securities		85,904.	85,904.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		778,309.			
b Gross sales price for all assets on line 6a	5,276,742.				
7 Capital gain net income (from Part IV, line 2)			778,309.		
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		864,246.	864,246.		
13 Compensation of officers, directors, trustees, etc		0.	0.	0.	
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees	STMT 3	2,200.	1,100.	0.	
c Other professional fees					
17 Interest					
18 Taxes	STMT 4	15.	15.	0.	
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses	STMT 5	400.	0.	0.	
24 Total operating and administrative expenses. Add lines 13 through 23		2,615.	1,115.	0.	
25 Contributions, gifts, grants paid		474,500.		474,500.	
26 Total expenses and disbursements					
Add lines 24 and 25	RECEIVED	477,115.	1,115.	474,500.	
27 Subtract line 26 from line 12	2014	387,131.			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -)			863,131.		
c Adjusted net income (if negative, enter -)				N/A	

G 14 21

	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash - non-interest-bearing		1,358,179.	240,498.	240,498.
	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				
	7 Other notes and loans receivable ►				
	Less: allowance for doubtful accounts ►				
Assets	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 7	7,587,333.	9,114,215.	9,687,685.
	c Investments - corporate bonds				
	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment: basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ►	STATEMENT 8 )	3,775.	2,705.	2,705.
	16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)		8,949,287.	9,357,418.	9,930,888.
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 ► <input type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>				
	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		8,949,287.	9,357,418.	
	30 Total net assets or fund balances		8,949,287.	9,357,418.	
	31 Total liabilities and net assets/fund balances		8,949,287.	9,357,418.	

## 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	8,949,287.
2 Enter amount from Part I, line 27a	2	387,131.
3 Other increases not included in line 2 (itemize) ► <u>CONTRIBUTION ADJUSTMENTS</u>	3	21,000.
4 Add lines 1, 2, and 3	4	9,357,418.
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	9,357,418.

**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.)
<b>1a</b> 3,339.329 SHS JPM SHORT DURATION BOND			P	01/01/13	04/25/13
<b>b</b> 964.399 SHS JPM SHORT DURATION BOND			P	01/01/12	04/25/13
<b>c</b> 3,500,000 UNITS JPM BEN SPX 3/21/13 15%			P	09/16/11	03/21/13
<b>d</b> 86,770.953 SHS JPM SHORT DURATION BOND			P	01/01/12	04/25/13
<b>e</b> CAPITAL GAINS DIVIDENDS					
(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)	
<b>a</b> 36,666.		36,716.			<50. >
<b>b</b> 10,589.		10,592.			<3. >
<b>c</b> 4,275,250.		3,500,000.			775,250.
<b>d</b> 952,745.		951,125.			1,620.
<b>e</b> 1,492.					1,492.
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(I) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) 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			
<b>a</b>					<50. >
<b>b</b>					<3. >
<b>c</b>					775,250.
<b>d</b>					1,620.
<b>e</b>					1,492.
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		778,309.
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			
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 ► <input type="checkbox"/> and enter "N/A" on line 1.	(attach copy of letter if necessary-see instructions)	1	17,263.
1b	Date of ruling or determination letter.			
1c	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-)			
3	Add lines 1 and 2	2	0.	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	3	17,263.	
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	4	0.	
6	<b>Credits/Payments:</b>	5	17,263.	
6a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	3,969.	
6b	Exempt foreign organizations - tax withheld at source	6b		
6c	Tax paid with application for extension of time to file (Form 8868)	6c		
6d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7	3,969.	
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	13,294.	
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10		
11	Enter the amount of line 10 to be: <b>Credited to 2014 estimated tax</b> ►	11	Refunded	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
N/A		
6	X	
7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>PA</u>	
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	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	

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

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) 11  X

12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12  X

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13  X

Website address ► **N/A**

14 The books are in care of ► **BARBARA H. SUTHERLAND** Telephone no. ► **215-238-3175**  
Located at ► **660 DORSET ROAD, DEVON, PA** ZIP+4 ► **19333**

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

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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ► 16  Yes  No X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
(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)? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
(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.) <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
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)? <span style="float: right;">N/A <input type="checkbox"/></span>		
Organizations relying on a current notice regarding disaster assistance check here ► <span style="float: right;">1b <input type="checkbox"/></span>		
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? <span style="float: right;">1c <input type="checkbox"/> X</span>		
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? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
If "Yes," list the years ► <span style="float: right;">2a <input type="checkbox"/></span>		
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.) <span style="float: right;">N/A <input type="checkbox"/></span>		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► <span style="float: right;">2b <input type="checkbox"/></span>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> X <input type="checkbox"/> No</span>		
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) <span style="float: right;">3b <input type="checkbox"/></span>		
c 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) <span style="float: right;">4a <input type="checkbox"/> X</span>		
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? <span style="float: right;">4b <input type="checkbox"/> X</span>		

## 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:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		N/A	5b
Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		N/A	
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		N/A	7b
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?				

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

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

(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
L. FREDERICK SUTHERLAND 660 DORSET ROAD DEVON, PA 19333	TRUSTEE 1.00	0.	0.	0.
BARBARA H. SUTHERLAND 660 DORSET ROAD DEVON, PA 19333	TRUSTEE 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

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**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
NONE		

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		
3	All other program-related investments. See instructions.	
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	8,756,096.
b	Average of monthly cash balances	1b	1,151,024.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	9,907,120.
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	9,907,120.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	148,607.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	9,758,513.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	487,926.

**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	487,926.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	17,263.
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	17,263.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	470,663.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	470,663.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	470,663.

**Part XII****Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	1a	474,500.
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1b	0.
b	Program-related investments - total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the:	3b	
a	Suitability test (prior IRS approval required)	4	474,500.
b	Cash distribution test (attach the required schedule)	5	0.
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	6	474,500.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b		
6	<b>Adjusted qualifying distributions</b> Subtract line 5 from line 4		

**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				470,663.
2 Undistributed income, if any, as of the end of 2013			474,043.	
a Enter amount for 2012 only				
b Total for prior years:		0.		
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		0.		
4 Qualifying distributions for 2013 from Part XII, line 4: ► \$ 474,500.			474,043.	
a Applied to 2012, but not more than line 2a				
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				457.
e Remaining amount distributed out of corpus		0.		0.
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:		0.		
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				470,206.
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		0.		
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 XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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
<b>a Paid during the year</b>				
AMERICAN DIABETES ASSOCIATION 1701 N. BEAUREGARD STREET <u>ALEXANDRIA, VA 22311</u>	N/A	CHARITY	CHARITABLE	5,000.
AMERICAN FOUNDATION FOR SUICIDE PREVENTION 120 WALL STREET, 29TH FLOOR <u>NEW YORK, NY 10005</u>	N/A	CHARITY	CHARITABLE	3,000.
AMERICAN RED CROSS 2025 E. STREET, NW <u>WASHINGTON, DC 20006</u>	N/A	CHARITY	CHARITABLE	10,000.
ARTWELL 4101 FREELAND AVENUE <u>PHILADELPHIA, PA 19128</u>	N/A	CHARITY	CHARITABLE	2,000.
ASPCA 424 E. 92ND STREET <u>NEW YORK, NY 10128</u>	N/A	CHARITY	CHARITABLE	1,000.
<b>Total</b>	<b>SEE CONTINUATION SHEET(S)</b>			► 3a 474,500.
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>				► 3b 0.

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

## 1 Program service revenue:

a \_\_\_\_\_  
 b \_\_\_\_\_  
 c \_\_\_\_\_  
 d \_\_\_\_\_  
 e \_\_\_\_\_  
 f \_\_\_\_\_

g Fees and contracts from government agencies

## 2 Membership dues and assessments

## 3 Interest on savings and temporary cash investments

## 4 Dividends and interest from securities

## 5 Net rental income or (loss) from real estate:

a Debt-financed property  
 b Not debt-financed property

## 6 Net rental income or (loss) from personal property

## 7 Other investment income

## 8 Gain or (loss) from sales of assets other than inventory

## 9 Net income or (loss) from special events

## 10 Gross profit or (loss) from sales of inventory

## 11 Other revenue:

a \_\_\_\_\_  
 b \_\_\_\_\_  
 c \_\_\_\_\_  
 d \_\_\_\_\_  
 e \_\_\_\_\_

## 12 Subtotal. Add columns (b), (d), and (e)

## 13 Total Add line 12, columns (b), (d), and (e)

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

	Unrelated business income		Excluded by section 512, 513, or 514	(e) Related or exempt function income
	(a) Business code	(b) Amount		
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## THE CHATHAM FOUNDATION

30-0162130

## Part XV Supplementary Information

## 3 Grants and Contributions Paid During the Year (Continuation)

Recipient	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
BIRCH ROCK CAMP PO BOX 148 <u>WATERFORD, ME 04088</u>	N/A	CHARITY	CHARITABLE	5,000.
CARON TREATMENT CENTERS 243 NORTH GALEN HALL ROAD <u>WERNERSVILLE, PA 19565</u>	N/A	CHARITY	CHARITABLE	1,000.
COMMUNITY VOLUNTEERS IN MEDICINE 300B LAWRENCE DRIVE <u>WEST CHESTER, PA 19380</u>	N/A	CHARITY	CHARITABLE	1,000.
DUKE GLOBAL HEALTH INSTITUTE 310 TRENT DRIVE <u>DURHAM, NC 27710</u>	N/A	CHARITY	CHARITABLE	10,000.
DUKE UNIVERSITY 207 ALLEN BUILDING <u>DURHAM, NC 27708</u>	N/A	CHARITY	CHARITABLE	200,000.
EPISCOPAL COMMUNITY SERVICES 255 SOUTH THIRD STREET <u>PHILADELPHIA, PA 19106</u>	N/A	CHARITY	CHARITABLE	20,000.
FREE LIBRARY OF PHILADELPHIA - ANNUAL FUND 1901 VINE STREET, SUITE 111 <u>PHILADELPHIA, PA 19103</u>	N/A	CHARITY	CHARITABLE	15,000.
FREE LIBRARY OF PHILADELPHIA - BUILDING CAMPAIGN 1901 VINE STREET, SUITE 111 <u>PHILADELPHIA, PA 19103</u>	N/A	CHARITY	CHARITABLE	50,000.
JEFFERSON FOUNDATION 125 S. 9TH STREET, SUITE 700 <u>PHILADELPHIA, PA 19107</u>	N/A	CHARITY	CHARITABLE	1,000.
PLAYPENN 220 WEST EVERGREEN AVENUE, D-2 <u>PHILADELPHIA, PA 19118</u>	N/A	CHARITY	CHARITABLE	1,500.
<b>Total from continuation sheets</b>				<b>453,500.</b>

THE CHATHAM FOUNDATION

30-0162130

Part XV | Supplementary Information

### 3 Grants and Contributions Paid During the Year (Continuation)

Recipient	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
Name and address (home or business)				
RUFUS PORTER MUSEUM 67 NORTH HIGH STREET BRIDGTON, ME 04009	N/A	CHARITY	CHARITABLE	1,000.
ST. DAVID'S EPISCOPAL CHURCH - RAISING THE ROOF CAPITAL CAMPAIGN 763 S. VALLEY FORGE ROAD WAYNE, PA 19087	N/A	CHARITY	CHARITABLE	115,000.
ST. DAVID'S EPISCOPAL CHURCH - WORLD GIFTS 763 S. VALLEY FORGE ROAD WAYNE, PA 19087	N/A	CHARITY	CHARITABLE	4,000.
ST. JAMES SCHOOL 3217 WEST CLEARFIELD STREET PHILADELPHIA, PA 19132	N/A	CHARITY	CHARITABLE	2,000.
ST. JUDE CHILDREN'S RESEARCH HOSPITAL 262 DANNY THOMAS PLACE MEMPHIS, TN 38105	N/A	CHARITY	CHARITABLE	1,000.
WHYY 150 N. 6TH STREET PHILADELPHIA, PA 19106	N/A	CHARITY	CHARITABLE	25,000.
WOUNDED WARRIOR PROJECT PO BOX 758517 TOPEKA, KS 66675	N/A	CHARITY	CHARITABLE	1,000.

## FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
IRS	1.	1.	
JP MORGAN (Q37716000)	32.	32.	
TOTAL TO PART I, LINE 3	33.	33.	

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
JP MORGAN (Q37716000)	87,396.	1,492.	85,904.	85,904.	
TO PART I, LINE 4	87,396.	1,492.	85,904.	85,904.	

## FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION FEES	2,200.	1,100.		0.
TO FORM 990-PF, PG 1, LN 16B	2,200.	1,100.		0.

## FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2012 PA INSTITUTION OF PURELY PUBLIC CHARITY REGISTRATION STATEMENT	15.	15.		0.
TO FORM 990-PF, PG 1, LN 18	15.	15.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INTEREST AND PENALTIES - IRS	400.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 23	400.	0.	0.	0.

FORM 990-PF

OTHER FUNDS

STATEMENT 6

DESCRIPTION	(A) BEGINNING OF YEAR	(B) END OF YEAR
RETAINED EARNINGS OR ACCUMULATED INCOME	8,949,287.	9,357,418.
TOTAL TO FORM 990-PF, PART II, LINE 29	8,949,287.	9,357,418.

FORM 990-PF

CORPORATE STOCK

STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
ALTERNATIVE INVESTMENTS	1,000,000.	1,064,661.
EQUITY	2,000,000.	2,158,400.
FIXED INCOME	2,114,215.	2,100,767.
OTHER INVESTMENTS	4,000,000.	4,363,857.
TOTAL TO FORM 990-PF, PART II, LINE 10B	9,114,215.	9,687,685.

FORM 990-PF

OTHER ASSETS

STATEMENT 8

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST RECEIVABLE	3,775.	2,705.	2,705.
TO FORM 990-PF, PART II, LINE 15	3,775.	2,705.	2,705.

FORM 990-PF

PART XV - LINE 1A  
LIST OF FOUNDATION MANAGERS

STATEMENT 9

NAME OF MANAGER

L. FREDERICK SUTHERLAND  
BARBARA H. SUTHERLAND

*J.P. Morgan*

\* Code W indicates Wash Sale  
I indicates a Nondeductible Loss other than a Wash Sale

\*\* Ordinary Income O indicates Ordinary Income gain or loss

F indicates Foreign Exchange gain or loss on Capital transactions

Stock and  
other symbol  
Cust.

### Capital Gain and Loss Schedule

THE CHATHAM FOUNDATION  
Account Number Q 37716-00-0

#### Short-Term Covered

Description	Stock and other symbol Cust.	Code*	Date Acquired Date Sold	Units	Sales Price	Cost or Other Basis	Adjustments to Gain or Loss Gain or Loss Ordinary Income**
JPM SHORT DURATION BOND FD - SEL FUND 3133	HLLV 4812C1330		04/25/13	Vanous	3,339.329	36,665.83	36,715.48
<b>Total Short-Term Covered</b>					<b>36,665.83</b>	<b>36,715.48</b>	<b>-49.65</b>

*J.P. Morgan*

\* Code W indicates Wash Sale  
 L indicates a Nondeductible Loss other than a Wash Sale  
 \*\* Ordinary Income O indicates Ordinary Income gain or loss  
 F indicates Foreign Exchange gain or loss on Capital Transactions  
 Stock and  
 other symbol  
 Cusip

### Capital Gain and Loss Schedule

THE CHATHAM FOUNDATION  
 Account Number Q 37716-00-0

#### Long-Term Covered

Description	Code*	Stock and other symbol Cusip	Date Acquired Date Sold	Units	Sales Price	Cost or Other Basis	Adjustments to gain or loss	Gain or Loss Ordinary Income**
JPM SHORT DURATION BOND FD - SEL FUND 3133	HLLV 4812C1330	Various 04/25/13		964 399	10,589.10	10,592.15		
<b>Total Long-Term Covered</b>				<b>10,589.10</b>	<b>10,592.15</b>			<b>-3.05</b>

J.P.Morgan

*J.P. Morgan*

THE CHATHAM FOUNDATION  
Account Number Q 37716-00-0

**Capital Gain and Loss Schedule**

\*Code W indicates Wash Sale

L Indicates a Nondeductible Loss other than a Wash Sale

\*\* Ordinary Income O indicates Ordinary Income gain or loss

F indicates Foreign Exchange gain or loss on Capital transactions  
Stock and  
other symbol  
Custodian

Description	Code*	Date Acquired Date Sold	Units	Sales Price	Cost or Other Basis	Adjustments to gain or loss	Gain or Loss Ordinary Income*
JPM BEN SPX 03/2/113		09/16/11	3,500,000 000	4,275,250 00	3,500,000 00		775,250 00
15%BUFFER-1 XLEV - 22.15%CAP	48125X2L9	03/21/13					
22.15%MAXRTRN							
INITIAL LEVEL-09/16/11 SPX. 1,216.01							
JPM SHORT DURATION BOND FD - SEL	HLLV	Various	86,770 953	952,745.07	951,124.90		1,620.17
FUND 3133	4812C1330	04/25/13					
<b>Total Long-Term Non Covered</b>				<b>5,227,995.07</b>	<b>4,451,124.90</b>		<b>776,870.17</b>



THE CHATHAM FOUNDATION ACCT. Q37716000  
For the Period 12/1/13 to 12/31/13

## Equity Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
US Large Cap Equity	2,129,600.00	2,158,400.00	28,800.00	22%

Market Value/Cost	Current Period Value
Market Value	2,158,400.00
Tax Cost	2,000,000.00
Unrealized Gain/Loss	158,400.00

## Equity Detail

	Price	Quantity	Value	Adjusted Tax Cost Original Cost	Unrealized Gain/Loss	Est. Annual Inc. Accrued Div	Yield
<b>US Large Cap Equity</b>							
<b>HSBC BREN SPX 04/30/15</b>	107.92	2,000,000.00	2,158,400.00	2,000,000.00	158,400.00		
15% BUFFER-1 50 XLEV- 11.4%CAP							
17.1%MAXRTRN							
INITIAL LEVEL-04/25/13 SPX:1585.16							
40432X-EZ-0							



THE CHATHAM FOUNDATION ACCT Q37716000  
For the Period 12/1/13 to 12/31/13

## Alternative Assets Summary

Asset Categories	Beginning Estimated Value	Ending Estimated Value	Change In Value	Current Allocation
Hedge Funds	1,061,330.14	1,064,660.61	3,330.47	11%

## Alternative Assets Detail

Hedge Funds	Price	Quantity	Estimated Value	Cost
<b>HMLP MULTI-STRATEGY PRIVATE INVESTORS LTD CLASS E NEW ISSUES</b> INELIGIBLE N/O Client 43098A-99-3	1,249.92 11/29/13	851.783	1,064,660.61	1,000,000.00



THE CHATHAM FOUNDATION ACCT. Q37716000  
For the Period 12/1/13 to 12/31/13

## Cash & Fixed Income Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation	Asset Categories
Cash	669,847.44	240,455.74	(429,391.70)	2%	
US Fixed Income	2,105,293.72	2,100,767.48	(4,526.24)	21%	
<b>Total Value</b>	<b>\$2,775,141.16</b>	<b>\$2,341,223.22</b>	<b>(\$433,917.94)</b>	<b>23%</b>	
<hr/>					
Market Value/Cost	Current Period Value				
Market Value	2,341,223.22				
Tax Cost	2,354,670.84				
Unrealized Gain/Loss	(13,447.62)				
Estimated Annual Income	20,062.42				
Accrued Interest	2,705.49				
Yield	0.85%				

### SUMMARY BY MATURITY

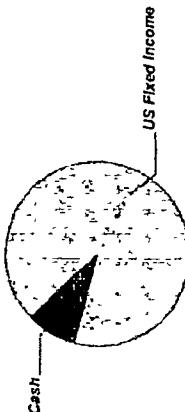
Cash & Fixed Income	Market Value	% of Bond Portfolio
0-6 months <sup>1</sup>	2,341,223.22	100%

<sup>1</sup> The years indicate the number of years until the bond is scheduled to mature based on the statement end date. Some bonds may be called, or paid in full, before their stated maturity

Cash & Fixed Income as a percentage of your portfolio - 23 %

### SUMMARY BY TYPE

Cash & Fixed Income	Market Value	% of Bond Portfolio
Cash	240,455.74	10%
Mutual Funds	2,100,767.48	90%
<b>Total Value</b>	<b>\$2,341,223.22</b>	<b>100%</b>





THE CHATHAM FOUNDATION ACCT. Q37716000  
For the Period 12/1/13 to 12/31/13

Note: <sup>1</sup> This is the Annual Percentage Yield (APY) which is the rate earned if balances remain on deposit for a full year with compounding, there is no change in the interest rate and all interest is left in the account.

## Cash & Fixed Income Detail

	Price	Quantity	Value	Adjusted Tax Cost Original Cost	Unrealized Gain/Loss	Est. Annual Income Accrued Interest	Yield
<b>Cash</b>							
US DOLLAR DEPOSIT SWEEP	1.00	1 00	0.00				0.01% <sup>1</sup>
<b>JPM PRIME MMKT FD - PREMIER</b>	1.00	240,455.74	240,455.74	240,455.74			0.16
FUND 350							
7-Day Annualized Yield.	0.01%						
<b>Total Cash</b>			\$240,455.74	\$240,455.74	\$0.00	\$0.00 \$4.78	
<b>US Fixed Income</b>							
<b>JPM SHORT DURATION BOND FD - SEL</b>	10.89	192,907.94	2,100,767.48	2,114,215.10	(13,447.62)	20,062.42 2,700.71	0.96%
FUND 3133							
4812C1-33-0							

*J.P. Morgan*

THE CHATHAM FOUNDATION ACCT Q37716000  
For the Period 12/1/13 to 12/31/13

## Other Summary

Asset Categories	Beginning Estimated Value	Ending Estimated Value	Change In Value	Current Allocation
Balanced	4,328,600.32	4,363,857.34	35,257.02	44%

Market Value/Cost	Current Period Value
Estimated Value	4,363,857.34
Tax Cost	4,000,000.00
Estimated Gain/Loss	363,857.34
Estimated Annual Income	80,610.36
Yield	1.84%

## Other Detail

	Price	Quantity	Value	Adjusted Cost Original Cost	Unrealized Gain/Loss	Accruals
Balanced	27.23	160,259.175	4,363,857.34	4,000,000.00	363,857.34	
VANGUARD BALANCED INDEX SIG 921931-40-8 VBAS X						