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Form 990-PF

Return of Private Foundation

OMB No 1545-0052

Department of the Treasury
Internal Revenue Service

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.

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning

, and ending

Name of foundation
NSB Foundation, Inc.
C/O Northfield Savings Bank

Number and street (or P.O. box number if mail is not delivered to street address)
33 S. Main Street

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
Northfield, VT 05663

A Employer identification number
31-1713065

B Telephone number
(802) 485-5871

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

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

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

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 (from Part II, col (c), line 16)
\$ 1,766,150. (Part I, column (d) must be on cash basis)

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify)

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	150,000.		N/A	
2	Check ☐ if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	2,884.	2,884.		
4	Dividends and interest from securities	48,598.	48,598.		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	17.			
b	Gross sales price for all assets on line 6a	17.			
7	Capital gain net income (from Part IV, line 2)		17.		
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	201,499.	51,499.		
13	Compensation of officers, directors, trustees, etc.	3,200.	800.		2,400.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees Stmt 1	1,100.	250.		850.
c	Other professional fees				
17	Interest				
18	Taxes Stmt 2	126.	0.		0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses Stmt 3	116.	29.		87.
24	Total operating and administrative expenses. Add lines 13 through 23	4,542.	1,079.		3,337.
25	Contributions, gifts, grants paid	150,000.			150,000.
26	Total expenses and disbursements. Add lines 24 and 25	154,542.	1,079.		153,337.
27	Subtract line 26 from line 12	46,957.			
a	Excess of revenue over expenses and disbursements				
b	Net investment income (if negative, enter -0-)		50,420.		
c	Adjusted net income (if negative, enter -0-)			N/A	

323501 10-10-13 LHA For Paperwork Reduction Act Notice, see instructions

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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
Assets	1 Cash - non-interest-bearing	31,496.	26,954.	26,954.
	2 Savings and temporary cash investments	2,962.	5,846.	5,846.
	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 ▶			
	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 5	1,458,931.	1,733,350.	1,733,350.
	c Investments - corporate bonds			
	Liabilities	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 ▶)				
16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item 1)		1,493,389.	1,766,150.	1,766,150.
17 Accounts payable and accrued expenses				
18 Grants payable				
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31 ▶ ☐			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here 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	1,493,389.	1,766,150.	
30 Total net assets or fund balances	1,493,389.	1,766,150.		
31 Total liabilities and net assets/fund balances	1,493,389.	1,766,150.		

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	1,493,389.
2 Enter amount from Part I, line 27a	2	46,957.
3 Other increases not included in line 2 (itemize) ▶ See Statement 4	3	225,804.
4 Add lines 1, 2, and 3	4	1,766,150.
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	1,766,150.

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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 Capital Gains Dividends

b

c

d

e

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 17.			17.
b			
c			
d			
e			

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

(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			17.
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

17.

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	157,168.	1,386,316.	.113371
2011	170,003.	1,316,270.	.129155
2010	151,414.	1,188,890.	.127357
2009	154,219.	1,016,365.	.151736
2008	151,459.	1,147,912.	.131943

2 Total of line 1, column (d)

2

.653562

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

.130712

4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5

4

1,605,246.

5 Multiply line 4 by line 3

5

209,825.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

504.

7 Add lines 5 and 6

7

210,329.

8 Enter qualifying distributions from Part XII, line 4

8

153,337.

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

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3

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10490326 793251 57820-227

2013.03010 NSB Foundation, Inc. C/O No 57820-61

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	1,008.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	1,008.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	1,008.
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	0.
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	15.
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,023.
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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? 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		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ☐ \$ 0. (2) On foundation managers ☐ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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?	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	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ VT		
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	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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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

www.nsbfoundation.org

14

The books are in care of

Edward Sulva, Treasurer

Telephone no

(802) 485-5871

Located at

33 S. Main Street, Northfield, VT

ZIP+4

05663

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?

16

Yes

No

X

See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required

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

1a

During the year did the foundation (either directly or indirectly)

(1)

Engage in the sale or exchange, or leasing of property with a disqualified person?

Yes

X

No

(2)

Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?

Yes

X

No

(3)

Furnish goods, services, or facilities to (or accept them from) a disqualified person?

Yes

X

No

(4)

Pay compensation to, or pay or reimburse the expenses of, a disqualified person?

X

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

X

No

(6)

Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)

Yes

X

No

b

If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?

1b

X

Organizations relying on a current notice regarding disaster assistance check here

c

Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?

1c

X

2

Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))

a

At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?

Yes

X

No

If "Yes," list the years

b

Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)

N/A

2b

c

If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here

3a

Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?

Yes

X

No

b

If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.)

N/A

3b

4a

Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?

X

b

Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?

4b

X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

6b

X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 6		3,200.	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		
		0

Total number of others receiving over \$50,000 for professional services

0

Part IX-A

Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX-B

Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	1,594,460.
b	Average of monthly cash balances	1b	35,231.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,629,691.
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	1,629,691.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	24,445.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,605,246.
6	Minimum investment return. Enter 5% of line 5	6	80,262.

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	80,262.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	1,008.
b	Income tax for 2013 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,008.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	79,254.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	79,254.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	79,254.

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	153,337.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	153,337.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	153,337.

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				79,254.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2013				
a From 2008	94,749.			
b From 2009	103,889.			
c From 2010	92,594.			
d From 2011	104,727.			
e From 2012	88,518.			
f Total of lines 3a through e	484,477.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$	153,337.			
a Applied to 2012, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2013 distributable amount				79,254.
e Remaining amount distributed out of corpus	74,083.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	558,560.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	94,749.			
9 Excess distributions carryover to 2014 Subtract lines 7 and 8 from line 6a	463,811.			
10 Analysis of line 9				
a Excess from 2009	103,889.			
b Excess from 2010	92,594.			
c Excess from 2011	104,727.			
d Excess from 2012	88,518.			
e Excess from 2013	74,083.			

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities					
Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

None

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

None

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

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
ReSource 266 Pine Street Burlington, VT 05401	None	PC	General Operating Support	150,000.
Total			3a	150,000.
b Approved for future payment				
None				
Total			3b	0.

Enter gross amounts unless otherwise indicated

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

12
2013.03010 NSB Foundation, Inc. C/O No 57820-61

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.		

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

b If "Yes," complete the following schedule

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

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

Date 4/10/14

► Treasurer
Title

May the IRS discuss this return with the preparer shown below (see instr)?

☒ **X** Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

E. Drew Cheney

Preparer's signature

E. Doen Cheng

Date

3/29/14

Check ☐ if self-employed

PTIN	
------	--

P00182972

Firm's name	BAKER NEWMAN & NOYES, LLC
-------------	---------------------------

Firm's EIN ▶ 01-0494526

Firm's address ► BOX 507

PORTLAND, ME 04112

Phone no (207) 879-2100

Form **990-PF** (2013)

Schedule B

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

Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

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

OMB No 1545-0047

2013**Name of the organization**NSB Foundation, Inc.
C/O Northfield Savings Bank**Employer identification number**

31-1713065

Organization type (check one)**Filers of:****Section:**

Form 990 or 990-EZ

- ☐ 501(c)() (enter number) organization
- ☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- ☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
- ☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
- ☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

Name of organization

NSB Foundation, Inc.

C/O Northfield Savings Bank

Employer identification number

31-1713065

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Northfield Savings Bank 33 S. Main Street Northfield, VT 05663	\$ 150,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

Name of organization

NSB Foundation, Inc.
C/O Northfield Savings Bank

Employer identification number

31-1713065

Part II Noncash Property (see instructions) Use duplicate copies of Part II if additional space is needed

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

Name of organization

NSB Foundation, Inc.

C/O Northfield Savings Bank

Employer identification number

31-1713065

Part III

Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once) ▶ \$

Use duplicate copies of Part III if additional space is needed

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

Form 990-PF	Accounting Fees	Statement	1
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting Fees	1,100.	250.		850.
To Form 990-PF, Pg 1, ln 16b	1,100.	250.		850.

Form 990-PF	Taxes	Statement	2
-------------	-------	-----------	---

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax	126.	0.		0.
To Form 990-PF, Pg 1, ln 18	126.	0.		0.

Form 990-PF	Other Expenses	Statement	3
-------------	----------------	-----------	---

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Miscellaneous Expense	116.	29.		87.
To Form 990-PF, Pg 1, ln 23	116.	29.		87.

Form 990-PF	Other Increases in Net Assets or Fund Balances	Statement	4
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Description	Amount
Net Change in Unrealized Gain on Investments	225,804.
Total to Form 990-PF, Part III, line 3	225,804.

Form 990-PF	Corporate Stock	Statement	5
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Description	Book Value	Fair Market Value
Mutual Funds	1,733,350.	1,733,350.
Total to Form 990-PF, Part II, line 10b	1,733,350.	1,733,350.

Form 990-PF	Part VIII - List of Officers, Directors Trustees and Foundation Managers	Statement	6
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Name and Address	Title and Avg Hrs/Wk	Compensation	Employee Ben Plan Expense Contrib Account
Laura Carlsmith C/O Northfield Savings Bank, 33 S. Main Street Northfield, VT 05663	Director 0.50	500.	0. 0.
Samuel FitzPatrick C/O Northfield Savings Bank, 33 S. Main Street Northfield, VT 05663	Director 0.50	500.	0. 0.
L. Stephen Hackett C/O Northfield Savings Bank, 33 S. Main Street Northfield, VT 05663	Director 0.50	500.	0. 0.
Stephanie Hainley C/O Northfield Savings Bank, 33 S. Main Street Northfield, VT 05663	Director 0.50	300.	0. 0.
Sandra Rousse C/O Northfield Savings Bank, 33 S. Main Street Northfield, VT 05663	Director 0.50	300.	0. 0.
Nancy Zorn C/O Northfield Savings Bank, 33 S. Main Street Northfield, VT 05663	Director 0.50	500.	0. 0.

J. Timothy Burke	Chairman & Director			
C/O Northfield Savings Bank, 33 S.				
Main Street	0.50	600.	0.	0.
Northfield, VT 05663				
Carol Seaver (part year)	VP/Secretary			
C/O Northfield Savings Bank, 33 S.				
Main Street	0.50	0.	0.	0.
Northfield, VT 05663				
Eileen Bradley	VP/Secretary			
C/O Northfield Savings Bank, 33 S.				
Main Street	0.50	0.	0.	0.
Northfield, VT 05663				
Edward Sulva	Treasurer			
C/O Northfield Savings Bank, 33 S.				
Main Street	0.50	0.	0.	0.
Northfield, VT 05663				

Totals included on 990-PF, Page 6, Part VIII

3,200.

0.

0.



Northfield Savings Bank
Infinex Investments, Inc.
571 Preston Avenue
Morton, CT 06091
(203) 596-6000 (Toll Free) 800-451-8091



NORTHFIELD
SAVINGS BANK

NSB FOUNDATION INC
C/O NORTHFIELD SAVINGS BANK
33 S MAIN ST
NORTHFIELD VT 05663-6703

Your Account Executive
CHAD BELL
(802) 476 2444

Brokerage Account Statement

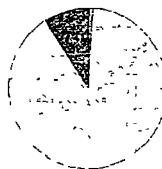
Account Number: NFL-601640
Statement Period: 12/01/2013 - 12/31/2013

Valuation at a Glance

	This Period
Beginning Account Value	\$1,714,477.83
Dividends/Interest	30,894.65
Change in Account Value	6,176.98
Ending Account Value	\$1,739,195.50
Estimated Annual Income	\$23,775.02

Asset Allocation

	Prior Year - End	Last Period	This Period	% Allocation
Cash, Money Funds, and Bank Deposits ¹	2,961.76	5,845.72	5,845.76	1%
Mutual Funds	1,337,880.06	1,554,782.11	1,576,363.24	90%
Exchange-Traded Products	121,048.50	153,850.00	156,986.50	9%
Account Total (Pie Chart)	\$1,461,890.32	\$1,714,477.83	\$1,739,195.50	100%



Pie Chart allocation only includes products that are of positive value

¹ The Bank Deposits in your account are FDIC insured bank deposits. FDIC insured bank deposits are not securities and are not covered by the Securities Investor Protection Corporation (SIPC). These bank deposits are covered by the Federal Deposit Insurance Corporation (FDIC) up to allowable limits.



Full Broker/Dealer In
Infinex Investments, Inc.
523 Preston Avenue
Hamden, CT 06430
(203) 569-0000 (Toll Free) 800-333-3333



Brokerage Account Statement

Statement Period 12/01/2013 12/31/2013

Portfolio Holdings

Description	Quantity	Opening Balance	Closing Balance	Accrued Income	Income This Year	30-Day Yield
Cash, Money Funds, and Bank Deposits 1.00% of Portfolio						
FDIC Insured Bank Deposits						
LIQUID INSURED DEPOSITS	5,845.760	5,845.72	5,845.76	0.03	0.27	N/A
Total FDIC Insured Bank Deposits		\$5,845.72	\$5,845.76	\$0.03	\$0.27	
Total Cash, Money Funds, and Bank Deposits		\$5,845.72	\$5,845.76	\$0.03	\$0.27	

Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Mutual Funds 99.00% of Portfolio					
FIDELITY ADVISOR SMALL CAP FUND CLASS A Security Identifier: FSCDX CUSIP: 315805697 Open End Fund Dividend Option: Reinvest, Capital Gains Option Reinvest	4,610.535	27.9500	128,864.45	32.27	0.02%
FIDELITY ADVISOR STRATEGIC INCOME CLASS A Security Identifier: FSTAX CUSIP: 315920850 Open End Fund Dividend Option: Reinvest, Capital Gains Option Reinvest	6,995.678	12.1000	84,647.70	2,999.91	3.54%
FIDELITY ADVISOR GOVERNMENT INCOME FUND CLASS A Security Identifier: FVIAX CUSIP: 31617K782 Open End Fund Dividend Option: Reinvest, Capital Gains Option Reinvest	9,099.074	10.1800	92,628.57	931.00	1.00%

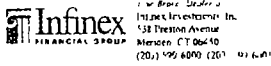
Page 3 of 14

Account Name: NSB Foundation, Inc.
NSB FOUNDATION INC.

Supplementary Information: [Handwritten signature]

Portfolio Holdings (continued)

Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Mutual Funds (continued)					
MFS LIMITED MATURITY FUND CLASS A	17,142.323	6.0500	103,711.05	1,868.51	1.80%
Security Identifier: MQLFX					
CUSIP: 55272P109					
Open End Fund					
Dividend Option: Reinvest, Capital Gains Option: Reinvest					
MFS INTERNATIONAL GROWTH FUND CLASS A	3,928.021	28.1500	110,573.79	560.99	0.50%
Security Identifier: MGRAX					
CUSIP: 55273E103					
Open End Fund					
Dividend Option: Reinvest, Capital Gains Option: Reinvest					
MFS EMERGING MARKETS EQUITY FUND CLASS A	1,084.781	30.2000	32,760.39	131.50	0.40%
Security Identifier: MEMAX					
CUSIP: 55273E509					
Open End Fund					
Dividend Option: Reinvest, Capital Gains Option: Reinvest					
MFS TOTAL RETURN FUND CLASS A	25,093.458	17.5700	440,892.06	8,980.69	2.03%
Security Identifier: MSFRX					
CUSIP: 552981300					
Open End Fund					
Dividend Option: Reinvest, Capital Gains Option: Reinvest					
MFS VALUE FUND CLASS A	4,388.919	33.2000	145,712.11	2,118.70	1.45%
Security Identifier: MEIAX					
CUSIP: 552983801					
Open End Fund					
Dividend Option: Reinvest, Capital Gains Option: Reinvest					
MFS UTILITIES FUND CLASS A	1,518.019	20.8500	31,650.70	868.53	2.74%
Security Identifier: MMHFX					
CUSIP: 552985309					
Open End Fund					
Dividend Option: Reinvest, Capital Gains Option: Reinvest					



Brokerage Account Statement

Statement Period: 12/01/2013 12/31/2013

Portfolio Holdings (continued)

Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Mutual Funds (continued)					
MFS MASSACHUSETTS INVESTORS GROWTH STOCK FUND CLASS A Security Identifier: MIGFX CUSIP: 575719109 Open End Fund Dividend Option: Reinvest, Capital Gains Option: Reinvest	14,911.528	22.8300	340,430.18		
PIMCO TOTAL RETURN CLASS A Security Identifier: PTTAX CUSIP: 693390445 Open End Fund Dividend Option: Reinvest, Capital Gains Option: Reinvest	2,708.331	10.6900	28,952.06	632.38	2.18%
PIMCO INCOME FUND CLASS A Security Identifier: PONAX CUSIP: 72201F474 Open End Fund Dividend Option: Reinvest, Capital Gains Option: Reinvest	2,898.873	12.2600	35,540.18	1,801.89	5.07%
Total Mutual Funds			\$1,576,363.24	\$20,926.37	
Description	Quantity	Market Price	Market Value	Estimated Annual Income	Estimated Yield
Exchange-Traded Products 9.00% of Portfolio					
SPDR S&P 500 ETF TR UNIT Security Identifier: SPY CUSIP: 78462F103 Dividend Option: Cash, Capital Gains Option: Cash	850.000	184.6900	156,986.50	2,848.38	1.81%
Total Exchange-Traded Products			\$156,986.50	\$2,848.38	
Total Portfolio Holdings			\$1,739,195.50	\$23,775.02	

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NSB FOUNDATION INC
NSB FOUNDATION INC

NSB FOUNDATION INC