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**Return of Private Foundation**

**2013**

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](http://www.irs.gov/form990pf).

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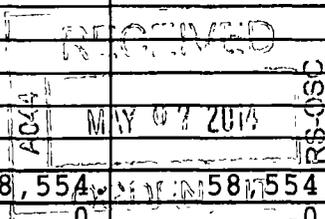
For calendar year 2013 or tax year beginning

, and ending

Name of foundation <b>KAHN-ABELES FOUNDATION</b>		A Employer identification number <b>36-3556784</b>
Number and street (or P O box number if mail is not delivered to street address) <b>26 FINCHER WAY</b>	Room/suite	B Telephone number <b>760-770-6877</b>
City or town, state or province, country, and ZIP or foreign postal code <b>RANCHO MIRAGE, CA 92270</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ <b>1,054,950.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(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				
4 Dividends and interest from securities	13,906.	13,906.		STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	44,648.			
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		44,648.		
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	58,554.	58,554.		
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 2	3,000.	3,000.		0.
c Other professional fees      STMT 3	7,924.	7,924.		0.
17 Interest				
18 Taxes      STMT 4	1,034.	1,034.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses      STMT 5	157.	157.		0.
24 Total operating and administrative expenses Add lines 13 through 23	12,115.	12,115.		0.
25 Contributions, gifts, grants paid	72,465.			72,465.
26 Total expenses and disbursements Add lines 24 and 25	84,580.	12,115.		72,465.
27 Subtract line 26 from line 12.				
a Excess of revenue over expenses and disbursements	-26,026.			
b Net investment income (if negative, enter -0-)		46,439.		
c Adjusted net income (if negative, enter -0-)			N/A	

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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				
	2	Savings and temporary cash investments		65,534.	80,827.	80,827.
	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 STMT 6		87,077.	41,450.	41,074.
	b	Investments - corporate stock STMT 7		549,029.	575,843.	842,537.
	c	Investments - corporate bonds STMT 8		111,949.	91,318.	90,512.
	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 9 )		1,875.	0.	0.	
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item 1)		815,464.	789,438.	1,054,950.	
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 ▶ DUE TO J. KAHN )		5,190.	5,190.	
23	Total liabilities (add lines 17 through 22)		5,190.	5,190.		
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		810,274.	784,248.		
30	Total net assets or fund balances		810,274.	784,248.		
31	Total liabilities and net assets/fund balances		815,464.	789,438.		

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	810,274.
2	Enter amount from Part I, line 27a	2	-26,026.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	784,248.
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	784,248.

**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 CAMPBELL NEWMAN ASSET MGMT - SEE ATTACHED	P	VARIOUS	VARIOUS
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			44,648.
b			
c			
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			44,648.
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	44,648.
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	67,725.	919,545.	.073651
2011	75,730.	919,545.	.082356
2010	76,159.	901,073.	.084520
2009	80,249.	923,862.	.086863
2008	74,162.	1,074,885.	.068995

2 Total of line 1, column (d)	2	.396385
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	.079277
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	950,264.
5 Multiply line 4 by line 3	5	75,334.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	464.
7 Add lines 5 and 6	7	75,798.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	72,465.

**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. 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 <input type="checkbox"/> and enter 1% of Part I, line 27b	1	929.
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	929.
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	929.
6 Credits/Payments:		
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a	640.
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	640.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	289.
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 <input type="checkbox"/> Refunded <input type="checkbox"/>	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)? <i>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</i>		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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		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? <i>If "Yes," attach the statement required by General Instruction T</i>		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? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> IL		
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? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		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)			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)			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <b>N/A</b>	X		
14	The books are in care of <b>JEROME ABELES</b> Telephone no. <b>312-372-0440</b> Located at <b>26 FINCHER WAY, RANCHO MIRAGE, CA</b> ZIP+4 <b>92270</b>			
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			<input type="checkbox"/>
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		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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here <b>N/A</b>		
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?		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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <b>N/A</b>		
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <b>N/A</b>		
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?		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)?  Yes  No  
 Organizations relying on a current notice regarding disaster assistance check here  N/A

**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) N/A

**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?  Yes  No  
 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?  Yes  No

**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 10		0.	0.	0.

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

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
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 THE FOUNDATION DOES NOT CONDUCT ANY DIRECT CHARITABLE ACTIVITIES OR MAKE PROGRAM-RELATED INVESTMENTS, ACCORDINGLY, THERE IS NO RELEVANT STATISTICAL INFORMATION.	0.
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 THE FOUNDATION DOES NOT CONDUCT ANY DIRECT CHARITABLE ACTIVITIES OR MAKE PROGRAM-RELATED INVESTMENTS, ACCORDINGLY, THERE IS NO RELEVANT STATISTICAL INFORMATION.	0.
2	
All other program-related investments. See instructions.	
3 NONE	0.
Total. Add lines 1 through 3	0.

**Part X**

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	1a	891,667.
<b>b</b>	Average of monthly cash balances	1b	73,068.
<b>c</b>	Fair market value of all other assets	1c	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	1d	964,735.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	2	0.
<b>3</b>	Subtract line 2 from line 1d	3	964,735.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	14,471.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	950,264.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	6	47,513.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	1	47,513.
<b>2a</b>	Tax on investment income for 2013 from Part VI, line 5	2a	929.
<b>b</b>	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
<b>c</b>	Add lines 2a and 2b	2c	929.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	3	46,584.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	4	0.
<b>5</b>	Add lines 3 and 4	5	46,584.
<b>6</b>	Deduction from distributable amount (see instructions)	6	0.
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	46,584.

**Part XII**

**Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	72,465.
<b>b</b>	Program-related investments - total from Part IX-B	1b	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	3a	
<b>b</b>	Cash distribution test (attach the required schedule)	3b	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	72,465.
<b>5</b>	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.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	72,465.

**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				46,584.
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	20,694.			
b From 2009	34,258.			
c From 2010	31,397.			
d From 2011	30,693.			
e From 2012	22,358.			
f Total of lines 3a through e	139,400.			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ \$	72,465.			
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				46,584.
e Remaining amount distributed out of corpus	25,881.			
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:	165,281.			
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				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	20,694.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	144,587.			
10 Analysis of line 9:				
a Excess from 2009	34,258.			
b Excess from 2010	31,397.			
c Excess from 2011	30,693.			
d Excess from 2012	22,358.			
e Excess from 2013	25,881.			

**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)

**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

	Tax year	Prior 3 years			(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> "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:

N/A

**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	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)				
<b>a Paid during the year</b>				
SEE PART XII ATTACHMENT		ALL 501(C)3 ORG'S	CHARITABLE	72,465.
<b>Total</b>			<b>▶ 3a</b>	72,465.
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>			<b>▶ 3b</b>	0.





## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
SOUTHWEST SECURITIES	13,906.	0.	13,906.	13,906.	
TO PART I, LINE 4	13,906.	0.	13,906.	13,906.	

## FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	3,000.	3,000.		0.
TO FORM 990-PF, PG 1, LN 16B	3,000.	3,000.		0.

## FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	7,924.	7,924.		0.
TO FORM 990-PF, PG 1, LN 16C	7,924.	7,924.		0.

## FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL	770.	770.		0.
FOREIGN TAXES	264.	264.		0.
TO FORM 990-PF, PG 1, LN 18	1,034.	1,034.		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	
MISCELLANEOUS	157.	157.			0.
TO FORM 990-PF, PG 1, LN 23	157.	157.			0.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS			STATEMENT	6
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE	
AGENCY BONDS	X		21,397.	20,737.	
US TREASURY NOTES	X		20,053.	20,337.	
TOTAL U.S. GOVERNMENT OBLIGATIONS			41,450.	41,074.	
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS					
TOTAL TO FORM 990-PF, PART II, LINE 10A			41,450.	41,074.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
CORPORATE STOCK	575,843.	842,537.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	575,843.	842,537.		

FORM 990-PF	CORPORATE BONDS		STATEMENT	8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
CORPORATE BONDS	91,318.	90,512.		
TOTAL TO FORM 990-PF, PART II, LINE 10C	91,318.	90,512.		

FORM 990-PF	OTHER ASSETS		STATEMENT	9
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE	
ACCRUED INTEREST RECEIVABLE	1,875.	0.	0.	
TO FORM 990-PF, PART II, LINE 15	1,875.	0.	0.	

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT	10
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JEROME G. ABELES 26 FINCHER WAY RANCHO MIRAGE, CA 92270	PRESIDENT & DIRECTOR 0.00	0.	0.	0.
JAMES J. ABELES 1123 N.E. FREMONT PORTLAND, OR 97212	TREASURER AND DIRECTOR 0.00	0.	0.	0.
KEITH D. ABELES 4412 WINFIELD LANE SEBASTOBOL, CA 95472	SECRETARY AND DIRECTOR 0.00	0.	0.	0.
JOHN STYRE C/O BRONSON & KAHN, 150 N. WACKER, #1400 CHICAGO, IL 60606	DIRECTOR 0.00	0.	0.	0.
HARVEY WINEBERG C/O WINEBERG SOLHEIM HOWELL & SHAIN, 180 N. LASALLE, #2200 CHICAGO, IL 60601	DIRECTOR 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

**Schedule of Contributions**  
**Part XII**  
**Period Ending December 31, 2013**

Name of 501 ( C ) 3 Organization	Address	Amount
ACLU	Chicago, IL	\$ 3,100
Alzheimers Association	Chicago, IL	1,100
Any Soldier	Portland, OR	25
Audubon Society	Portland, OR	600
Big Sur Land Trust	Monterey, CA	1,000
Camperships for Nebagamon	Lake Nebagamon, WI	2,000
Children's Discovery Museum of the Desert	Rancho Mirage, CA	250
Desert Community Foundation	Palm Desert, CA	500
Didi Hirsh Community Mental Health Center	Culver City, CA	600
Eisenhower Medical Center	Rancho Mirage, CA	1,000
Emergency Fund for the Needy	Chicago, IL	500
Evan Scholarship Foundation	Golf, IL	50
Jewish Federation - Palm Springs	Palm Springs, CA	5,625
Juvenile Diabetes Research Fdn	Chicago, IL	250
Living Desert Museum	Palm Desert, CA	250
McCallum Theatre	Palm Desert, CA	1,000
Museum of Contemporary Craft	Portland, OR	150
National Ability Center	Park City, UT	500
National Resources Defense Council	New York, NY	1,000
Northwest Pilot Program	Portland, OR	50
Oberlin College	Oberlin, OH	33,500
Oregon Food Bank	Portland, OR	50
Oregon Health and Science University	Portland, OR	140
Oregon Zoo	Portland, OR	1,000
Our House	Portland, OR	100
Palm Springs Art Museum	Palm Springs, CA	2,025
Palm Springs Friends of Philharmonic	Palm Springs, CA	2,000
Palmetto Health Hospice	Columbia, SC	100
Rails to Trails Conservancy	Washington, D.C.	500
Reed College	Portland, OR	50
San Diego Fund	Rancho Mirage, CA	300
Southern Poverty Law Center	Montgomery, AL	2,050
Stop Cancer	Los Angeles, CA	50
Street Roots	Tucson, AZ	500
The International School	Portland, OR	5,000
The Michael J. Fox Foundation	New York, NY	50
Trust for Conervation Innovation	San Francisco, CA	2,000
Trust for Public Land	San Francisco, CA	1,000
U S. Holocaust Memorial Museum	Washington, D.C.	2,000
Verde Valley School	Sedona, AZ	500
<b>Total to Line 6</b>		<b>\$ 72,465</b>

Campbell Newman Asset Management, Inc.  
 REALIZED GAINS AND LOSSES  
 011224 - KAHN-ABELES FOUNDATION  
 From 01-01-13 Through 12-31-13

C-2

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-25-10	01-15-13	10,000.00	UNITED STATES TREAS NTS 1.375% Due 01-15-13	10,043.22	10,000.00		-43.22
09-21-11	01-17-13	80	UNILEVER N V NEW YORK SHS	2,494.47	3,080.51		586.04
11-11-11	01-17-13	175	UNILEVER N V NEW YORK SHS	5,994.45	6,738.63		744.18
05-20-11	02-05-13	325	MOODYS CORP COM	12,637.28	14,390.28		1,753.00
04-06-05	03-05-13	205	CONOCOPHILLIPS COM	8,586.71	11,821.99		3,235.28
04-16-09	03-05-13	485	FREEMPORT-MCMORAN COPPER & GOLD CL B	10,476.38	15,321.40		4,845.02
02-14-11	03-05-13	225	COACH INC	13,051.58	11,324.48		-1,727.10
04-03-08	03-31-13	10,000.00	UNITED STATES TREAS NTS 2.500% Due 03-31-13	9,945.17	10,000.00		54.83
07-22-09	05-15-13	10,000	COLGATE PALMOLIVE CO MTNS BE 4.200% Due 05-15-13	10,576.20	10,000.00		-576.20
09-01-11	05-31-13	120	PVH CORP	8,156.20	13,908.76		5,752.56
03-20-09	07-18-13	545	ORACLE SYSTEMS	9,552.44	17,460.30		7,907.86
10-07-08	08-01-13	10,000	WALGREEN CO 4.875% Due 08-01-13	10,055.00	10,000.00		-55.00
07-21-08	08-14-13	15,000	FEDERAL HOME LN BKS 5.125% Due 08-14-13	15,614.95	15,000.00		-614.95
09-21-10	08-21-13	195	DIRECTV GROUP INC COM	8,096.08	11,247.67		3,151.59
09-22-08	09-06-13	10,000	FEDERAL HOME LOAN BANKS 4.000% Due 09-06-13	10,024.11	10,000.00		-24.11
09-21-11	09-25-13	150	ALLERGAN INC COM	12,527.08	13,667.56		1,140.48
04-07-11	10-07-13	1	MADDIN STEVEN LTD COM	10.91	18.38		7.47
07-19-07	10-18-13	75	INTERNATIONAL BUSINESS MACHINES	8,698.69	13,051.75		4,353.06
04-04-11	10-29-13	70	CATERPILLAR INC DEL COM	7,944.60	5,829.31		-2,115.29
04-25-12	10-29-13	40	CATERPILLAR INC DEL COM	4,170.20	3,331.04		-839.16
09-21-11	10-29-13	45	MCKESSON CORPORATION	3,485.68	6,924.51		3,438.83
10-05-10	11-13-13	315	E M C CORP MASS COM	6,421.41	7,580.19		1,158.78
10-20-10	11-13-13	500	E M C CORP MASS COM	10,648.55	12,032.05		1,383.50
04-06-05	11-13-13	102	PHILLIPS 66 COM	2,539.39	6,591.13		4,051.74
02-07-06	11-22-13	185	PROCTER & GAMBLE COMPANY	10,981.28	15,647.07		4,665.79

**Campbell Newman Asset Management, Inc.**  
**REALIZED GAINS AND LOSSES**  
**011224 - KAHN-ABELES FOUNDATION**  
 From 01-01-13 Through 12-31-13

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
08-23-10	11-22-13	100	PROCTER & GAMBLE COMPANY	6,044.73	8,457.88		2,413.15
TOTAL GAINS						0.00	50,643.16
TOTAL LOSSES						0.00	-5,995.03
				<b>218,776.75</b>	<b>263,424.89</b>	<b>0.00</b>	<b>44,648.14</b>
TOTAL REALIZED GAIN/LOSS 44,648.14							