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Form 990-PF

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 instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For calendar year 2013, or tax year beginning 01-01-2013 , and ending 12-31-2013

Name of foundation THE PALMER FOUNDATION		A Employer identification number 36-3700897	
Number and street (or P O box number if mail is not delivered to street address) 1201 CONNECTICUT AVE NW SUITE 300		B Telephone number (see instructions) (202) 595-1020	
City or town, state or province, country, and ZIP or foreign postal code WASHINGTON, DC 20036		C If exemption application is pending, check here <input type="checkbox"/>	
G Check all that apply <div><input type="checkbox"/> Initial return</div> <div><input type="checkbox"/> Initial return of a former public charity</div> <div><input type="checkbox"/> Final return</div> <div><input type="checkbox"/> Amended return</div> <div><input type="checkbox"/> Address change</div> <div><input type="checkbox"/> Name change</div>		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) <input type="checkbox"/> \$ 16,422,830		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	102,500			
	2 Check <input 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.	346,050	346,050		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	1,139,909			
	b Gross sales price for all assets on line 6a 6,865,317				
	7 Capital gain net income (from Part IV, line 2) . . .		1,139,909		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
Operating and Administrative Expenses	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	1,588,459	1,485,959		
	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	1,120			1,120
	b Accounting fees (attach schedule)	29,675			29,675
	c Other professional fees (attach schedule)	135,662	45,829		89,833
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	50,655	6,040		
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings	42,888			42,888
	22 Printing and publications				
	23 Other expenses (attach schedule)	9,657			8,937
	24 Total operating and administrative expenses. Add lines 13 through 23	269,657	51,869		172,453
	25 Contributions, gifts, grants paid	553,141			553,141
	26 Total expenses and disbursements. Add lines 24 and 25	822,798	51,869		725,594
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	765,661			
	b Net investment income (if negative, enter -0-)		1,434,090		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	656,247	246,063	246,063
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	7,171,218	7,821,611	10,913,056
	c	Investments—corporate bonds (attach schedule).	3,713,958	4,711,954	4,608,247
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,118,881	648,064	655,464
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15	Other assets (describe ▶ _____)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	12,660,304	13,427,692	16,422,830	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22)		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	12,660,304	13,427,692	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	12,660,304	13,427,692	
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	12,660,304	13,427,692		

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	12,660,304
2	Enter amount from Part I, line 27a	2	765,661
3	Other increases not included in line 2 (itemize) ▶ _____	3	1,727
4	Add lines 1, 2, and 3	4	13,427,692
5	Decreases not included in line 2 (itemize) ▶ _____	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	13,427,692

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)
1 a Capital Gain 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				
b			22,213	
c				
d				
e				
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		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)		{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	1,139,909
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		}	3	

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 page 18 of 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	652,906	13,848,565	0 04715
2011	656,191	13,005,250	0 05046
2010	571,917	12,448,205	0 04594
2009	558,069	11,329,901	0 04926
2008	633,688	12,680,180	0 04998

2 Total of line 1, column (d).	2	0 24278
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	0 04856
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5.	4	15,296,079
5 Multiply line 4 by line 3.	5	742,701
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	14,341
7 Add lines 5 and 6.	7	757,042
8 Enter qualifying distributions from Part XII, line 4.	8	725,594

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 page 18 of the instructions)				
1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1		1	28,682	
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		2	28,682	
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)				2
3 Add lines 1 and 2.				3
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4		
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	28,682	
6 Credits/Payments		7	36,280	
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a			26,400
b Exempt foreign organizations—tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c			9,880
d Backup withholding erroneously withheld	6d			
7 Total credits and payments Add lines 6a through 6d.		7	36,280	
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached		8	98	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid.		10	7,500	
11 Enter the amount of line 10 to be Credited to 2014 estimated tax 7,500 Refunded		11		

Part VII-A Statements Regarding Activities				
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?		Yes	No	
	1a		No	
	b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for 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>	1b		No
c Did the foundation file Form 1120-POL for this year?.		1c		No
		d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ _____ (2) On foundation managers \$ _____		
	e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>			2	
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>		3	Yes	
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?.	4a		No	
b If "Yes," has it filed a tax return on Form 990-T for this year?.	4b		No	
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>	5		No	
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes		
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>	7	Yes		
8a Enter the states to which the foundation reports or with which it is registered (see instructions) 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>	8b	Yes		
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>	9		No	
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>	10		No	

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address ▶THEPALMERFOUNDATION.ORG				
14	The books are in care of ▶ARABELLA ADVISORS Telephone no ▶(202) 595-1020 Located at ▶1201 CONNECTICUT AVE NW 300 WASHINGTON DC ZIP +4 ▶20036			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶	15		
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
See instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes", enter the name of the foreign country ▶				

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input 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 page 20 of the instructions)?. . . Organizations relying on a current notice regarding disaster assistance check here. ▶ <input type="checkbox"/>	1b		No
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		No
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 ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		No
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. <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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.</i>).	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a

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

(1)

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

Yes No

(2)

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

Yes No

(3)

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

Yes No

(4)

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

Yes No

(5)

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

Yes No

b

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

5b

No

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

c

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

Yes No

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

6a

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

Yes No

b

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

6b

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?

7b

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 (see instructions).

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

2

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

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

Total number of other employees paid over \$50,000.

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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 (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
ARABELLA ADVISORS	CONSULTING SERVICES	89,833
1201 CONNECTICUT AVE NW SUITE 300		
WASHINGTON,DC 20036		
Total number of others receiving over \$ 50,000 for professional services.		

Part IX-A

Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B

Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions	
3	
Total. Add lines 1 through 3	

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	15,125,655
b	Average of monthly cash balances.	1b	403,359
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	15,529,014
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	
3	Subtract line 2 from line 1d.	3	15,529,014
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	232,935
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	15,296,079
6	Minimum investment return. Enter 5% of line 5.	6	764,804

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	764,804
2a	Tax on investment income for 2013 from Part VI, line 5.	2a	28,682
b	Income tax for 2013 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	28,682
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	736,122
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	736,122
6	Deduction from distributable amount (see instructions).	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	736,122

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	725,594
b	Program-related investments—total from Part IX-B.	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
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	725,594
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	725,594
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				736,122
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only.			8,440	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2013				
a From 2008.				
b From 2009.				
c From 2010.				
d From 2011.				
e From 2012.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$ 725,594				
a Applied to 2012, but not more than line 2a			8,440	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2013 distributable amount.				717,154
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b.				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				18,968
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions).				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions). . . .				
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2009. . . .				
b Excess from 2010. . . .				
c Excess from 2011. . . .				
d Excess from 2012. . . .				
e Excess from 2013. . . .				

Part XIV

--	--

Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

85% of line 2a

Qualifying distributions from Part XII, line 4 for each year listed

Amounts included in line 2c not used directly for active conduct of exempt activities

Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c

Complete 3a, b, or c for the alternative test relied upon

"Assets" alternative test—enter

(1) Value of all assets

(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

"Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.

"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

1

MARY P ENROTH

D

2

Check here ☒

a

b

C

d

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)				
a Paid during the year See Additional Data Table				
Total			3a	553,141
b Approved for future payment				
Total			3b	

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2013)

Part XVII

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

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?

Yes

No

a

Transfers from the reporting foundation to a noncharitable exempt organization of

(1)

Cash.

1a(1)

No

(2)

Other assets.

1a(2)

No

b

Other transactions

(1)

Sales of assets to a noncharitable exempt organization.

1b(1)

No

(2)

Purchases of assets from a noncharitable exempt organization.

1b(2)

No

(3)

Rental of facilities, equipment, or other assets.

1b(3)

No

(4)

Reimbursement arrangements.

1b(4)

No

(5)

Loans or loan guarantees.

1b(5)

No

(6)

Performance of services or membership or fundraising solicitations.

1b(6)

No

c

Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

1c

No

d

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

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a

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

Yes

No

b

If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

Signature of officer or trustee

2014-06-06

Date

Title

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

Yes

No

Paid Preparer Use Only

Print/Type preparer's name

CHARLES E GIERL

CPA

Preparer's Signature

Date

Check if self-employed

PTIN

P00072768

Firm's name

Seymour & Associates SC

Firm's EIN

Firm's address

600 52nd Street Suite 210 Kenosha, WI 531403424

Phone no


(262) 658-3500

Form 990-PF (2013)


Form 990PF Part VIII Line 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
MARY P ENROTH	Chairman 0 00	0		
1201 CONNECTICUT AVE NW 300 WASHINGTON,DC 20036				
MATTHEW LISCHICK	Director 0 00	0		
1201 CONNECTICUT AVE NW 300 WASHINGTON,DC 20036				
JAY LOWEN	Secretary 0 00	0		
1201 CONNECTICUT AVE NW 300 WASHINGTON,DC 20036				
KAREN E LISCHICK	President 0 00	0		
1201 CONNECTICUT AVE NW 300 WASHINGTON,DC 20036				
PETER LISCHICK	Treasurer 0 00	0		
1201 CONNECTICUT AVE NW 300 WASHINGTON,DC 20036				
SUSAN L ENROTH	Vice President 0 00	0		
1201 CONNECTICUT AVE NW 300 WASHINGTON,DC 20036				
CARL ENROTH	DIRECTOR 0 00	0		
1201 CONNECTICUT AVE NW 300 WASHINGTON,DC 20036				

Form 990PF Part XV Line 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)				
a Paid during the year				
HOFFMAN INSTITUTE FOUNDATION 1299 FOURTH STREET STE 600 SAN RAFAEL,CA 94901	NONE	PUBLIC	GENERAL	20,000
KEMPER CENTER INC 6501 3RD AVENUE KENOSHA,WI 53143	NONE	PUBLIC	GENERAL	67,000
DOORWAYS FOR WOMEN AND FAMILIES INC PO BOX 100185 ARLINGTON,VA 22210	NONE	PUBLIC	GENERAL	1,000
LAKE FOREST SYMPHONY INC 900 NORTH SHORE DRIVE SUITE 109A LAKE BLUFF,IL 60044	NONE	PUBLIC	GENERAL	32,000
PARTNER FOR SURGERY INC 6804 MELROSE DRIVE MCLEAN,VA 22101	NONE	PUBLIC	GENERAL	30,000
POTOMAC MASSAGE TRAINING INSTITUTE 5028 WISCONSIN AVENUE NW SUITE LL WASHINGTON,DC 20016	NONE	PUBLIC	GENERAL	72,000
MOORE COUNTY SCHOOLS 5277 HWY 15-501 SOUTH CARTHAGE,NC 28327	NONE	PUBLIC	GENERAL	25,000
CAROLINA PHILHARMONIC 460 MIDLAND ROAD PINEHURST,NC 28374	NONE	PUBLIC	GENERAL	25,000
HABITAT FOR HUMANITY OF THE NC SAND 2268 N 5 HIGHWAY ABERDEEN,NC 28315	NONE	PUBLIC	GENERAL	28,141
INTERNATIONAL ACTION 808 L STREET SE WASHINGTON,DC 20003	NONE	PUBLIC	GENERAL	25,000
ARTS INSTITUTE GALLERY 212 W MAIN STREET SUITE 101 SALISBURY,MD 21801	NONE	PUBLIC	GENERAL	3,000
ROOM TO READ 111 SUTTER STREET 16TH FLOOR SAN FRANCISCO,CA 94101	NONE	PUBLIC	GENERAL	31,000
FACE CHILDREN 300 MOSS HILL LANE SALISBURY,MD 21804	NONE	PUBLIC	GENERAL	8,000
LIVING WATER INTERNATIONAL 4001 GREENBRIAR DRIVE STAFFORD,TX 77477	NONE	PUBLIC	GENERAL	5,000
FOTOKIDS PO BOX 661447 MIAMI,FL 33266	NONE	PUBLIC	GENERAL	1,000
Total  3a				553,141

Form 990PF Part XV Line 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)				
a <i>Paid during the year</i>				
LAKEVIEW TECHNOLOGY ACADEMY 9449 88TH AVENUE PLEASANT PRAIRIE,WI 53158	NONE	PUBLIC	GENERAL	7,000
THE MIRACLE FOUNDATION 1506 WEST 6TH STREET AUSTIN,TX 78703	NONE	PUBLIC	GENERAL	25,000
GEORGE WASHINGTON INSTITUTE FOR SPI 2030 M STREET NW WASHINGTON,DC 20036	NONE	PUBLIC	GENERAL	60,000
SHELTER HOUSE 2579 JOHN MILTON DRIVE HERNDON,VA 20171	NONE	PUBLIC	GENERAL	7,000
GEORGETOWN UNIVERSITY DEPARTMENT 0734 WASHINGTON,DC 20073	NONE	PUBLIC	GENERAL	5,000
HABITAT FOR HUMANITY WICOMICO COUNT 908 W ISABELLA STREET SALISBURY,MD 21801	NONE	PUBLIC	GENERAL	3,000
SAFE HARBOUR 102 WHIGH STREET CARLISLE,PA 17013	NONE	PUBLIC	GENERAL	13,000
THE CROHN'S COLITIS FOUNDATION 386 PARK AVENUE SOUTH NEWYORK,NY 10016	NONE	PUBLIC	GENERAL	5,000
UPAVIM 808 E 23RD STREET BRYAN,TX 77803	NONE	PUBLIC	GENERAL	50,000
HABITAT FOR HUMANITY INTERNATIONAL 270 PEACHTREE STREET NW ATLANTA,GA 30303	NONE	PUBLIC	GENERAL	5,000
Total  3a				553,141

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

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 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 THE PALMER FOUNDATION	Employer identification number 36-3700897
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Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	<input type="checkbox"/> 501(c)() (enter number) organization
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation
	<input type="checkbox"/> 527 political organization
Form 990-PF	<input checked="" type="checkbox"/> 501(c)(3) exempt private foundation
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation
	<input type="checkbox"/> 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 33¹/₃% 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 for 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 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 990PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization THE PALMER FOUNDATION	Employer identification number 36-3700897
--	---

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
<div>1</div>	<div>MARY P ENROTH</div> <div>1201 CONNECTICUT AVE NW 300</div> <div>WASHINGTON, DC 20036</div>	<div>\$</div> <div>100,000</div>	<div>Person <input checked="" type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>
<div></div>		<div>\$</div>	<div>Person <input type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>
<div></div>		<div>\$</div>	<div>Person <input type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>
<div></div>		<div>\$</div>	<div>Person <input type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>
<div></div>		<div>\$</div>	<div>Person <input type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>
<div></div>		<div>\$</div>	<div>Person <input type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>
<div></div>		<div>\$</div>	<div>Person <input type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>
<div></div>		<div>\$</div>	<div>Person <input type="checkbox"/></div> <div>Payroll <input type="checkbox"/></div> <div>Noncash <input type="checkbox"/></div> <div>(Complete Part II for noncash contributions)</div>

Name of organization THE PALMER FOUNDATION	Employer identification number 36-3700897
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Part II	Noncash Property (see instructions) Use duplicate copies of Part II if additional space is needed		
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____ _____	\$ _____	_____
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____ _____	\$ _____	_____
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____ _____	\$ _____	_____
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____ _____	\$ _____	_____
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____ _____	\$ _____	_____
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____ _____	\$ _____	_____

Name of organization THE PALMER FOUNDATION	Employer identification number 36-3700897
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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 See instructions) ▶ \$

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
—	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>	<div></div> <div></div> <div></div>
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
<div></div> <div></div>		<div></div> <div></div> <div></div>	

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

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

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

TY 2013 Accounting Fees Schedule**Name:** THE PALMER FOUNDATION**EIN:** 36-3700897**Software ID:** 13000170**Software Version:** 2013v3.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX PREPARATION & AUDIT FEES	29,675	0	0	29,675

TY 2013 Contractor Compensation Explanation

Name: THE PALMER FOUNDATION

EIN: 36-3700897

Software ID: 13000170

Software Version: 2013v3.1

Contractor	Explanation
ARABELLA ADVISORS	THE CONSULTANT ASSISTS THE FOUNDATION IN DEVELOPING A RENEWED STRATEGIC FRAMEWORK AND A SET OF OPERATING SYSTEMS AND PROCESSES TO SUPPORT THE FOUNDATIONS'S GIVING.

TY 2013 Investments Corporate Bonds Schedule

Name: THE PALMER FOUNDATION

EIN: 36-3700897

Software ID: 13000170

Software Version: 2013v3.1

Name of Bond	End of Year Book Value	End of Year Fair Market Value
200000 DUPONT EI NEMOUR 4.875 04/30/14	218,456	202,906
200000 GOLDMAN SACHS GROUP 5.00 10/01/14	215,824	206,358
100000 SHELL INTL FIN 4.00 03/21/14	108,240	100,794
200000 PROCTER & GAMBLE CO 3.5 2/15/15	210,351	206,618
100000 TOTAL CAPITAL SA 3.125 10/2/15	104,575	104,357
250000 AFLAC INC 2.65 2/15/17	263,505	257,977
200000 BOTTLING GROUP LLC 4.125 6/15/15	219,450	209,764
100000 CATERPILLAR FINANCIAL 2.65 4/1/16	105,375	103,687
250000 GENERAL ELEC CAP CORP 2.9 1/9/17	264,945	260,993
100000 OCCIDENTAL PETRO CORP 2.5 2/1/16	105,600	103,634
100000 SBC COMMUNICATIONS 5.625 6/15/16	116,070	110,358
200000 TOYOTA MOTOR CR CORP 2.8 1/11/16	211,706	209,002
150000 VERIZON COMMUNICATIONS 3.0 4/1/16	159,276	156,420
100000 BP CAPITAL MARKETS 3.2 3/11/16	107,041	105,008
150000 TEVA PHARMA FIN 3.00 6/15/15	158,462	154,806
300000 BOEING CAPITAL CORP 2.9 8/15/18	321,795	312,093
250000 JOHN DEERE CAP CORP 2.8 9/18/17	267,625	261,713
300000 JPMORGAN CHASE & CO 3.15 7/5/16	318,776	314,514
200000 VIACOM INC 4.25 9/15/15	215,470	211,018
100000 WELLS FARGO & CO 3.676 6/15/16	106,692	106,474
200000 VODAFONE GROUP 3.375 11/24/15	212,720	208,978
77519.380 HARTFORD FLOATING RATE FUND	700,000	700,775

TY 2013 Investments Corporate
Stock Schedule

Name: THE PALMER FOUNDATION

EIN: 36-3700897

Software ID: 13000170

Software Version: 2013v3.1

Name of Stock	End of Year Book Value	End of Year Fair Market Value
567 APPLE INC	100,377	318,098
5138 COCA COLA ENTERPRISES INC	131,880	226,740
2235 EXXON MOBIL CORP	123,445	226,182
1895 NORTHROP GRUMMAN CORP	115,841	217,186
6915 ORACLE CORP	94,874	264,568
1016 RAYTHEON CO	30,913	92,151
4000 SNAP ON INC	145,880	438,080
2355 WAL MART STORES INC	117,128	185,315
5860 WELLS FARGO & CO	186,894	266,044
1470 MCKESSON CORP	106,241	237,258
7565 ISHARES MSCI EAFE INDEX FUND	382,504	507,574
4091 MACY'S INC	104,845	218,459
846 PETSMART INC	62,029	61,546
1779 TJX COS INC	40,205	113,376
1591 TRAVELERS COMPANIES INC	79,002	144,049
1733 AMERIPRISE FINANCIAL INC	98,073	199,382
1546 CHEVRON CORPORATION	170,038	193,111
5304 COMCAST CORP - CL A	150,987	275,622
4643 KROGER CO	110,675	183,538
1817 MICROSOFT CORP	56,872	67,974
15325 AES CORP	197,421	222,366
877 ALLIANCE DATA SYSTEMS CORP	122,323	230,590
429 CF INDUSTRIES HOLDINGS INC	75,308	99,974
11697 CISCO SYSTEMS INC	224,648	262,364
929 CVS CAREMARK CORP	42,195	66,488
4142 DISCOVER FINL SVCS	132,048	231,745
2657 FRANKLIN RESOURCES INC	116,652	153,389
2753 GAP INC	105,207	107,587
925 MARATHON PETROLEUM CORP	37,573	84,850
934 PPG INDUSTRIES INC	95,708	177,142

Name of Stock	End of Year Book Value	End of Year Fair Market Value
8791 SYMANTEC CORPORATION	179,198	207,292
880 TIME WARNER CABLE INC	67,394	119,240
1240 UNION PAC CORP	170,847	208,320
3590 DELPHI AUTOMOTIVE PLC	123,558	215,867
22688 VANGUARD FTSE EMERGING MARKETS	959,580	933,384
3317 AGCO CORP	202,262	196,333
998 AMERICAN EXPRESS CO	71,596	90,548
3484 BABCOCK & WILCOX	103,793	119,118
942 BERKSHIRE HATHAWAY INC	109,111	111,684
1044 BOEING CO	124,412	142,496
1224 CELGENE CORP	144,512	206,817
830 CIGNA CORP	54,622	72,608
1642 CITIGROUP INC	68,258	85,565
761 EVEREST RE GROUP LIMITED	105,822	118,617
4004 HALLIBURTON CO	212,807	203,203
1379 JOHNSON & JOHNSON	118,855	126,303
814 MAGNA INTERNATIONAL INC	60,407	66,797
5660 MYLAN INC	160,260	245,644
2944 NETAPP INC	114,050	121,116
804 O'REILLY AUTOMOTIVE INC	99,929	103,483
1853 OSHKOSH CORP	84,342	93,354
1908 PACKAGING CORP OF AMERICA	86,948	120,738
605 ROCK TENN CO	65,920	63,531
5513 SOUTHWEST AIRLINES CO	103,644	103,865
4046 TYSON FOODS INC	93,068	135,379
4198 UNUMPROVIDENT CORP	115,660	147,266
7000 ISHARES MSCI EMERGING MKT	299,039	292,565
1648 TE CONNECTIVITY LIMITED	73,093	90,821
3089 XL GROUP PUBLIC LIMITED COMPANY	90,838	98,354

TY 2013 Investments - Other Schedule**Name:** THE PALMER FOUNDATION**EIN:** 36-3700897**Software ID:** 13000170**Software Version:** 2013v3.1

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
9921.999 COLUMBIA ACORN FUND	AT COST	284,446	370,289
51944.449 PIMCO COMM REALRETURN STRATEGY	AT COST	363,618	285,175

TY 2013 Legal Fees Schedule

Name: THE PALMER FOUNDATION

EIN: 36-3700897

Software ID: 13000170

Software Version: 2013v3.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	1,120	0	0	1,120

TY 2013 Other Expenses Schedule**Name:** THE PALMER FOUNDATION**EIN:** 36-3700897**Software ID:** 13000170**Software Version:** 2013v3.1

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
DIRECTORS INSURANCE	1,628			1,628
FILING AND REGISTRATION FEES	720			
MEMBERSHIP FEES	4,365			4,365
OFFICE SUPPLIES & POSTAGE	719			719
SOFTWARE LICENSE FEES	2,225			2,225

TY 2013 Other Increases Schedule

Name: THE PALMER FOUNDATION

EIN: 36-3700897

Software ID: 13000170

Software Version: 2013v3.1

Description	Amount
TAX DIFFERENCE ADJUSTMENT	1,727

TY 2013 Other Professional Fees Schedule**Name:** THE PALMER FOUNDATION**EIN:** 36-3700897**Software ID:** 13000170**Software Version:** 2013v3.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BANK INVESTMENT MANAGEMENT FEES	45,829	45,829	0	0
EXECUTIVE MANAGEMENT & CONSULTING FEES	89,833	0	0	89,833

TY 2013 Taxes Schedule**Name:** THE PALMER FOUNDATION**EIN:** 36-3700897**Software ID:** 13000170**Software Version:** 2013v3.1

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE TAX	44,615			
FOREIGN TAX	6,040	6,040		



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Bylaws of The Palmer Foundation

Adopted November 2, 2013

ARTICLE I

Purposes

Section 1. Purposes. The purposes for which the Corporation is organized, as stated in its Articles of Incorporation, are charitable, educational, scientific, literary and religious purposes, including the making of distributions to other organizations for such purposes, but only to the extent and in such manner that such purposes constitute exclusively charitable, educational, scientific, literary and religious purposes within the meaning of Section 501(c)(3) and also Sections 170(c)(2)(B), 2055(a)(2) and 2522(a)(2) of the Internal Revenue Code of 1986 or the corresponding provisions of any subsequent federal tax law.

ARTICLE II

Board of Directors

Section 1. General Powers and Duties. The property, business and affairs of the Corporation shall be managed by its Board of Directors.

Section 2. Number, Classes, Election and Term of Office.

a) Number. The number of Directors of the Corporation shall be not less than five (5) nor more than nine (9), as shall be fixed from time to time by resolution of the Board of Directors.

b) Classes. There shall at all times be five (5) classes of Directors: Class A, Class B, Class C, Class D, and Class E Directors.

c) Family Directors. The Class A Director shall be Mary P. Enroth or, if she so designates, her spouse or one of her adult children. The Class B Director shall be Karen E. Lischick or, if she so designates, her spouse or one of her adult children. The Class C Director shall be Braden W. Enroth or, if he so designates, his spouse or one of his adult children. The Class D Director shall be Carl L. Enroth or, if he so designates, one of his adult children. To the extent that no qualified individual is willing or able to serve as a Class A, Class B, Class C, or Class D Director, such spot shall be vacant until a qualified individual is willing and able to serve. Collectively, the Class A, Class B, Class C, and Class D Directors shall be referred to as the "Family Directors". The Family Directors shall not be subject to any term limits. Family Directors need not be residents of the State of Illinois.

d) Class E Directors. The Class E Directors shall consist of those individuals who are elected by the Board of Directors. Class E Directors need not be family members of any of Mary P. Enroth, Karen E. Lischick, Braden W. Enroth, or Carl L. Enroth. Elections for the Class E Directors will be held annually by the Board of Directors at their annual meeting, to hold office for two years and until their successors shall have been elected and qualified, or until their death, resignation or removal. Class E Directors will be restricted to three (3) consecutive two-year terms. After serving three consecutive terms as a Class E Director, and individual is ineligible for re-election as a Class E Director for a minimum of one year. Class E Directors need not be residents of the State of Illinois.

Section 3. Resignations. Any Director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Corporation. Such resignation shall take effect when the notice is delivered unless the notice specifies a future date; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. Any vacancy occurring in a Family Director position may be filled only as set forth in Section 2. Any vacancy occurring in a Class E Director position shall be filled by the remaining Directors then in office at the annual meeting, or at a special meeting of the Board of Directors called for that purpose. Each Director elected to fill a vacancy shall hold office for the unexpired term of his predecessor in office.

Section 5. Annual Meetings. The annual meeting of the Board of Directors shall be held in the Spring of each year at the office of the Corporation, or at such other place, either within or without the State of Illinois, and on such date at such time as may be designated by the President and specified in the notice of the meeting.

Section 6. Regular Meetings. The Board of Directors shall hold regular meetings at such place, either within or without the State of Illinois, and at such times as may be designated by resolution of the Board of Directors, without other notice than such resolution.

Section 7. Special Meetings. Special meetings of the Board of Directors may be held at any time on the call of the President or at the request in writing of any two (2) Directors. Special meetings of the Board of Directors may be held at such place, either within or without the State of Illinois, as shall be specified or fixed in the call for such meeting or notice thereof.

Section 8. Notice of Meetings. Notice of each special meeting shall be delivered by or at the direction of the Secretary to each Director at least three (3) days before the day on which the meeting is to be held. Notice may be waived in writing by a Director, either before or after the meeting. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where the Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided in these Bylaws, neither the business to be transacted at, nor the purpose of, any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 9. Quorum. A majority of the whole Board of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law, the Articles of Incorporation of the Corporation or these Bylaws.

Section 10. Virtual Participation at Meetings. Directors may participate in and act at any meeting of the Board of Directors through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

Section 11. Informal Action. Any action required to or which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the Directors. Such consent shall have the same force and effect as a unanimous vote of the Board. A Director may take action by a written consent using an electronic signature if the electronic transmission approving the action includes the signatory's full name in a form intended by the signatory (a) to serve as his or her signature and (b) to authenticate the consent. Each electronic signature should be affixed to an e-mail message or other electronic communication that (i) contains or attaches the written consent action; (ii) includes an affirmative statement (such as "Yes," "I agree," or "I consent"); and (iii) contains a clear reference to the written consent action in the subject line.

Section 12. Removal. One or more of the Directors, including a Family Director, may be removed, with or without cause, at a meeting of Directors by the affirmative vote of two-thirds of the Directors then in office present and voting at a meeting of the Board of Directors at which a quorum is present. Written notice of such meeting shall be delivered to all Directors entitled to vote on the removal of Directors at least twenty (20) days prior to such meeting and shall state that a purpose of the meeting is to vote upon the removal of one or more Directors named in the notice. Only the named Director or Directors may be removed at such meeting.

ARTICLE III

Officers

Section 1. Designation, Election and Term of Office. The officers of the Corporation shall consist of a Chairman, President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers and assistant officers as the Board of Directors may authorize. The officers shall be elected by the Board of Directors at its annual meeting, to hold office for two years and until their successors have been duly elected and qualified, or until their death, resignation or removal. Any two or more offices may be held by the same person, as long as there are at least two different people holding the offices of Chairman, President, and Vice President.

Section 2. The Chairman. The Chairman shall be responsible for general and active management of the Board of Directors. He shall preside at all meetings of the Board of Directors and is responsible for

fostering and protecting a safe environment for open communication and inquiry. He ensures due process and shall work with the President to see that all orders and resolutions of the Board of Directors are carried into effect. The Chairman will advise the President on agendas for board meetings and may call special meetings of the Board of Directors when necessary. The Chairman will act as the spokesperson for the organization and will strive to strengthen family unity, foster respect for family history, and ensure effective succession planning.

Section 3. The President. The President shall be Chief Executive Officer of the Corporation and shall preside at meetings of the Board of Directors in the absence of the Chairman. He shall have general and active management of the business of the Corporation, and he shall work with the Chairman to see that all orders and resolutions of the Board of Directors are carried into effect. He shall execute the bonds, mortgages and other contracts requiring a seal under the seal of the Corporation and shall see that their duties are properly performed. He shall from time to time report to the Board of Directors all matters within his knowledge which the interest of the Corporation may require to be brought to their notice. He shall also perform such other duties as may be assigned to him from time to time by the Board of Directors.

Section 4. The Vice President. The Vice President, or Vice Presidents, in the order of their seniority, shall have all the powers and perform all the duties of the President in the absence or incapacity of the President. They shall perform, also, such other duties as may be assigned to them from time to time by the Board of Directors.

Section 5. The Secretary. The Secretary shall act as Secretary of the Board of Directors, shall give, or cause to be given, notice of all meetings of the Board of Directors and the members, unless notice thereof be waived, shall supervise the custody of all records and reports and shall be responsible for the keeping and reporting of adequate records of all meetings of the Board of Directors. In addition, the Secretary shall be the custodian of the seal of the Corporation. The Secretary shall also perform such other duties as may be assigned to him from time to time by the Board of Directors. The Secretary may delegate some of the duties of the role to another officer who has been elected by the Board. The Secretary may not delegate duties requiring signature authority without Board approval.

Section 6. The Treasurer. The Treasurer shall keep full and correct account of receipts and disbursements in the books belonging to the Corporation, and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation, in such banks of deposit as may be designated by the Board of Directors. He shall dispose of funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, whenever they may require it of him, an account of all his transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall also perform such other duties as may be assigned to him from time to time by the Board of Directors. The Treasurer may delegate some of the duties of the role to another officer who has been elected by the Board. The Treasurer may not delegate duties requiring signature authority without Board approval.

Section 7. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Corporation. Any such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8. Removal. Any of the officers designated in Section 1 of this Article III may be removed by the Board of Directors, whenever in its judgment the best interests of the corporation will be served thereby, by the vote of a majority of the Directors present at any meeting, a quorum being present. Any subordinate officer elected or appointed in accordance with Section 1 of this Article III may be removed by the Board of Directors for like reason by a majority vote of the Directors present at any meeting, a quorum being present, or by any superior officer upon whom such power of removal has been conferred by resolution of the Board of Directors.

Section 9. Vacancies. Any vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled by the Board of Directors at an annual or regular meeting or at a special meeting called for such purpose.

ARTICLE IV

Committees

Section 1. Board Committees. By resolution adopted by a majority of the Directors in office, the Board of Directors may designate and appoint a "Board Committee" consisting of two (2) or more Directors. To the extent provided in such resolution, such Board Committee shall have and exercise the authority of the full Board of Directors in the management of the Corporation; *provided, however*, that such Board Committee shall *not* be authorized to do any of the following:

- 1) Amend, alter or repeal these Bylaws;
- 2) Elect, appoint or remove any member of any Board Committee, any Director, or any officer of the corporation;
- 3) Amend the Articles of Incorporation;
- 4) Adopt a plan of merger or a plan of consolidation with another corporation;
- 5) Authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the corporation;
- 6) Authorize the voluntary dissolution of the corporation or revoke proceedings for a voluntary dissolution thereof;
- 7) Adopt a plan for the distribution of the assets of the corporation or for dissolution;
- 8) Amend, alter or repeal any resolution of the Board of Directors if, by its terms, such resolution provides that it shall not be amended, altered or repealed by the Board Committee.

Other than those actions specifically prohibited immediately above in clauses (1) through (8), the Board Committee may take any action on behalf of the Board of Directors as from time to time may be permitted by law, to the extent provided in the resolution designating and appointing the Board Committee.

Section 2. Advisory Committees. By resolution, the Board of Directors may designate other advisory committees not having and exercising the authority of the Board of Directors in the management of the Corporation. Members of any such advisory committee may, but need not, be Directors, and the Board of Directors shall appoint the members thereof, except as and to the extent such authority shall be vested in an officer or agent of the Corporation by the Board of Directors.

Section 3. Term of Office. Each member of a Board Committee or an advisory committee (a “committee”) shall continue as such until the next annual meeting of the Board of Directors and until the member’s successor is appointed, unless the committee shall be sooner terminated by resolution of the Board of Directors, or unless such member resigns or is removed from such committee. Any member of a committee may be removed, with or without cause, by the person or persons authorized to appoint such member whenever in such person or persons’ judgment the best interests of the corporation shall be served by such removal.

Section 4. Chair. One member of each committee shall be appointed as chair by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided for the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Participation at Meetings by Conference Telephone. Committee members may participate in and act at any committee meeting through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

Section 8. Informal Action. Any action required to or which may be taken at a meeting of a committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the committee members. Such consent shall have the same force and effect as a unanimous vote of the committee. A committee member may take action by a written consent using an electronic signature if the electronic transmission approving the action includes the signatory’s full name in a form intended by the signatory (a) to serve as his or her signature and (b) to authenticate the consent. Each electronic signature should be affixed to an e-mail message or other electronic communication that (i) contains or attaches the written consent action; (ii) includes an affirmative statement (such as “Yes,” “I agree,” or “I consent”); and (iii) contains a clear reference to the written consent action in the subject line.

Section 9. Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE V

Miscellaneous Provisions

Section 1. Indemnification of Directors, Officers, Employees and Agents; Insurance.

- a) The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a Director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he reasonable believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.
- b) The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he reasonably believe to be in, or not opposed to, the best interests of the Corporation, provided that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.
- c) To the extent that a present or former Director, officer or employee of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in paragraph (a) or paragraph (b) of this Section 1 or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually

and reasonably incurred by such person in connection therewith, if that person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation.

- d) Any indemnification under paragraph (a) or paragraph (b) of this Section 1 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the present or former Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in paragraph (a) or paragraph (b) of this Section 1. Such determination shall be made with respect to a person who is a Director or officer at the time of the determination: (1) by the majority vote of the Directors who are not parties to such action suit, or proceeding, even though less than a quorum, (2) by a committee of the Directors designated by a majority of the Directors, even though less than a quorum, or (3) if these are no such Directors, or if the Directors so direct, by independent legal counsel in a written opinion.
- e) Expenses (including attorneys' fees) incurred by a present or former Director, an officer, an employee, or an agent in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified as authorized in this Section 1.
- f) The indemnification provided by this Section 1 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of disinterested Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office and shall continue as to a person who has ceased to be a Director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.
- g) The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation or who is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Section.
- h) In connection with the defense of a judicial proceeding under Chapter 42 of the Internal Revenue Code of 1986, no person shall under any circumstances be indemnified for taxes, penalties or expenses of correction, and further, no person shall be indemnified for other expenses in connection with such judicial proceedings unless: (i) such other expenses are reasonably incurred by such person in connection with such proceeding; (ii) he is successful in

such defense, or such proceeding is terminated by settlement and he has not acted willfully or without reasonable cause with respect to the act or failure to act which led to liability for tax under said Chapter 42. Notwithstanding the foregoing, the Corporation shall not indemnify any Director, officer, employee or agent of the Corporation if such indemnification shall constitute an act of self-dealing under Section 4941 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

- i) For purposes of this Section 1, references to “the Corporation” shall include, in addition to the surviving corporation, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had the power and authority to indemnify its Directors, officers, employees or agents, so that any person who was a director, officer, employee or agent of such merging corporation, or was serving at the request of such merging corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Section 1 with respect to the surviving corporation as such person would have with respect to such merging corporation if its separate existence had continued.

Section 2. Principal and Registered Offices. The principal office of the Corporation may, but need not, be located in the State of Illinois. As of the date of the adoption of these amendments to the Bylaws, the Corporation’s principal office is located in the District of Columbia. The Corporation shall continuously maintain a registered agent and registered office in the State of Illinois.

Section 3. Corporate Seal. The corporate seal of the Corporation shall be circular in form, bearing the name of the Corporation and the word “ILLINOIS” in the marginal circle, and the words “Corporate Seal” in the inner circle. Said seal may be used by causing it or a facsimile or equivalent thereof to be impressed or affixed or reproduced.

Section 4. Depositories. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may designate.

Section 5. Checks, Drafts, Notes, Etc. All checks, drafts or other orders for the payment of money and all notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 6. Fiscal Year. The fiscal year of the Corporation shall end on the last day of December of each year.

Section 7. Delivery of Notice. Any notices required to be delivered pursuant to these Bylaws shall be delivered to the Director in person or at the Director’s address (which may include an email address) as shown on the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If

given by telephone, such notice shall be deemed to be delivered when spoken to the Director. If given by electronic transmission such as by facsimile or electronic mail, such notice shall be deemed to be delivered when transmitted, unless information is received promptly by the sender that the transmission was not completed.

Section 8. Investment. Unless otherwise specified by the terms of a particular gift, bequest or devise, grant or other instrument, the funds of the Corporation may be invested, from time to time, in such manner as the Board of Directors may deem advantageous without regard to restrictions applicable to trustees or trust funds; provided, however:

- a) The Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law; and
- b) The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

Section 9. Self-Dealing. The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

Section 10. Distribution of Income. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

Section 11. Certain Expenditures. The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent Federal tax law.

Section 12. No Members. The Corporation shall not have members.

Section 13. Writings. Any action required in these Bylaws to be “written,” to be “in writing,” to have “written consent,” to have “written approval,” and the like by or of the Directors or committee members shall include any communication transmitted or received by facsimile, electronic mail, or other means of electronic transmission.

Section 14. Electronic Signatures. Any action required in these Bylaws to be “signed” or to have a “signature by or of” a Director or committee member shall include an action signed with an electronic signature that is any symbol executed or adopted, or any security procedure employed or adopted, by or on behalf of a person with intent to authenticate a record and which is attached to or logically associated with the action in electronic form.

ARTICLE VI

Amendments

Section 1. Method of Amendment. These Bylaws may be altered, amended or repealed, and new and other Bylaws may be made and adopted at any annual meeting of the Directors, or at any special meeting of the Directors called for that purpose, by the affirmative vote of a majority of the total number of Directors.