Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation: PATHWAYS FOUNDATION

A Employer identification number: 45-6643839

Number and street (or P O box number if mail is not delivered to street address): 26055 NORTHPOINTE

Room/suite:

B Telephone number: 248-476-1949

City or town, state or province, country, and ZIP or foreign postal code: FARMINGTON HILLS, MI 48331

C If exemption application is pending, check here ▶ [ ]

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

D 1. Foreign organizations, check here ▶ [ ]

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 5,315,846.

J Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis.)

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

	Line	(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	4,093,635.		N/A	
	2 Check ▶ [ ] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	79,175.	82,220.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	266,248.			STATEMENT 1
	b Gross sales price for all assets on line 6a 6,439,816.				
	7 Capital gain net income (from Part IV, line 2)		4,811,973.		
	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	13.	13.		STATEMENT 3
	12 **Total.** Add lines 1 through 11	4,439,071.	4,894,206.		
Operating and Administrative Expenses	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 4	3,944.	1,972.		1,972.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 5	9,341.	599.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	8,165.	8,165.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	21,450.	10,736.		1,972.
	25 Contributions, gifts, grants paid	31,300.			31,300.
	26 **Total expenses and disbursements.** Add lines 24 and 25	52,750.	10,736.		33,272.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	4,386,321.			
	b **Net investment income** (if negative, enter -0-)		4,883,470.		
	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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	428,206.	821,320.	821,320.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ 13,680.			
	Less: allowance for doubtful accounts ▶	3.	13,680.	13,680.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	452,534.	0.	0.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	0.	4,432,064.	4,480,846.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	880,743.	5,267,064.	5,315,846.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ 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 ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	868,094.	4,961,729.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	12,649.	305,335.	
	30 **Total net assets or fund balances**	880,743.	5,267,064.	
	31 **Total liabilities and net assets/fund balances**	880,743.	5,267,064.	

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	880,743.
2	Enter amount from Part I, line 27a	2	4,386,321.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	5,267,064.
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	5,267,064.

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	44,445 SHARES CREDIT ACCEPTANCE CORPORATION	D	VARIOUS	VARIOUS
b	UBS - SHORT TERM	P	VARIOUS	VARIOUS
c	UBS - LONG TERM	P	VARIOUS	VARIOUS
d	CAPITAL GAINS DIVIDENDS			
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	4,755,603.		444.	4,755,159.
b	1,682,252.		1,625,815.	56,437.
c	1,512.		1,584.	-72.
d	449.			449.
e				

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				4,755,159.
b				56,437.
c				-72.
d				449.
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 — 4,811,973.

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	11,460.	918,906.	.012471
2011	0.	3,479.	.000000
2010			
2009			
2008			

2	**Total** of line 1, column (d)	2	.012471
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	.006236
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	3,460,661.
5	Multiply line 4 by line 3	5	21,581.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	48,835.
7	Add lines 5 and 6	7	70,416.
8	Enter qualifying distributions from Part XII, line 4	8	33,272.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	97,669.
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	97,669.
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	97,669.
6	Credits/Payments:				
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	4,360.		
b	Exempt foreign organizations - tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	98,100.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	102,460.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	4,791.
11	Enter the amount of line 10 to be: **Credited to 2014 estimated tax** ▶ 4,791. **Refunded** ▶			11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MI			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ TODD R. WATSON Telephone no. ▶ 248-476-1949

Located at ▶ 26055 NORTHPOINTE, FARMINGTON HILLS, MI ZIP+4 ▶ 48331

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4b		X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? [ ] Yes [X] 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 [X] No

(3) Provide a grant to an individual for travel, study, or other similar purposes? [ ] Yes [X] 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 [X] 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 [X] No

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

Organizations relying on a current notice regarding disaster assistance check here ▶ [ ]

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

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? [ ] Yes [X] No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
TODD R. WATSON 26055 NORTHPOINTE FARMINGTON HILLS, MI 48331	TRUSTEE 0.00	0.	0.	0.
JILL WATSON 26055 NORTHPOINTE FARMINGTON HILLS, MI 48331	TRUSTEE 0.00	0.	0.	0.

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,048,804.
b	Average of monthly cash balances	1b	1,464,557.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	3,513,361.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,513,361.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	52,700.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,460,661.
6	**Minimum investment return.** Enter 5% of line 5	6	173,033.

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	173,033.
2a	Tax on investment income for 2013 from Part VI, line 5 — 2a: 97,669.		
b	Income tax for 2013. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	97,669.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	75,364.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	75,364.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	75,364.

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	33,272.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	33,272.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	33,272.

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				75,364.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			26,265.	
b Total for prior years: ____ , ____ , ____		0.		
3 Excess distributions carryover, if any, to 2013:				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ $ 33,272.				
a Applied to 2012, but not more than line 2a			26,265.	
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				7,007.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
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				68,357.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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

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

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

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

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

1 **Information Regarding Foundation Managers:**

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

JILL WATSON

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

NONE

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

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient: Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
FORGOTTEN HARVEST 21800 GREENFIELD OAK PARK, ME 48237		PC	GENERAL FUND	300.
ORCHARDS CHILDREN'S SERVICES 30215 SOUTHFIELD ROAD, STE 100 SOUTHFIELD, ME 48076		PC	SCHOLARSHIP PROGRAM	25,000.
GROSSE POINTE THEATER 315 FISHER ROAD GROSSE POINTE, MI 48230		PC	GENERAL FUND	1,000.
NORTH FARMINGTON HIGH SCHOOL BAND & ORCHESTRA BOOSTERS 32900 W. 13 MILE ROAD FARMINGTON HILLS, MI 48331		PC	GENERAL FUND	5,000.
Total			▶ 3a	31,300.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	79,175.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			14	13.	
8 Gain or (loss) from sales of assets other than inventory			18	266,248.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		345,436.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 345,436.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

Part XVII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

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

Sign Here

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

Signature of officer or trustee — Date: 11/14/14 — Title: Trustee

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JENNIFER B. HALL	Jennifer B. Hall	09/02/14		P00122082
Firm's name ▶ DELOITTE TAX LLP			Firm's EIN ▶ 86-1065772	
Firm's address ▶ 200 RENAISSANCE CENTER, SUITE 3900 DETROIT, MI 48243-1300			Phone no. 313-396-3000	

Schedule B (Form 990, 990-EZ, or 990-PF) Department of the Treasury Internal Revenue Service	**Schedule of Contributors** ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF. ▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990 .	OMB No 1545-0047 **2013**

Name of the organization	Employer identification number
PATHWAYS FOUNDATION	45-6643839

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of $5,000 or more during the year ▶ $ ____________

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

Name of organization	Employer identification number
PATHWAYS FOUNDATION	45-6643839

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	JILL WATSON 26055 NORTHPOINTE FARMINGTON HILLS, MI 48331	$ 4,093,635.	Person [ ] Payroll [ ] Noncash [X] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
PATHWAYS FOUNDATION	45-6643839

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
1	39,000 SHARES OF CREDIT ACCEPTANCE CORPORATION(CACC)	$ 4,093,635.	06/21/13

(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	Employer identification number
PATHWAYS FOUNDATION	45-6643839

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

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
44,445 SHARES CREDIT ACCEPTANCE CORPORATION	DONATED	VARIOUS	VARIOUS

(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
4,755,603.	4,546,169.	0.	0.	209,434.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
UBS - SHORT TERM	PURCHASED	VARIOUS	VARIOUS

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,682,252.	1,625,815.	0.	0.	56,437.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
UBS - LONG TERM	PURCHASED	VARIOUS	VARIOUS

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,512.	1,584.	0.	0.	-72.

CAPITAL GAINS DIVIDENDS FROM PART IV	449.
TOTAL TO FORM 990-PF, PART I, LINE 6A	266,248.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
UBS FINANCIAL SERVICE INC.	93,138.	449.	92,689.	92,689.	
UBS FINANCIAL SERVICE INC. ACCRUED INTEREST	-13,514.	0.	-13,514.	-10,469.	
TO PART I, LINE 4	79,624.	449.	79,175.	82,220.	

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
UBS #Y6 11611 PX	13.	13.	
TOTAL TO FORM 990-PF, PART I, LINE 11	13.	13.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION AND ADVISORY SERVICES	3,944.	1,972.		1,972.
TO FORM 990-PF, PG 1, LN 16B	3,944.	1,972.		1,972.

FORM 990-PF	TAXES	STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	8,742.	0.		0.
FOREIGN TAXES	599.	599.		0.
TO FORM 990-PF, PG 1, LN 18	9,341.	599.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGAMENT FEES	8,152.	8,152.		0.
INVESTMENT EXPENSES	13.	13.		0.
TO FORM 990-PF, PG 1, LN 23	8,165.	8,165.		0.

FORM 990-PF	CORPORATE STOCK	STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
5,455 SHS CREDIT ACCEPTANCE CORPORATION	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10B	0.	0.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
UBS INVESTMENTS - SEE ATTACHED	COST	4,432,064.	4,480,846.
TOTAL TO FORM 990-PF, PART II, LINE 13		4,432,064.	4,480,846.

Your assets

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

Cash

Cash and money balances

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

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

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
UBS BANK USA DEP ACCT	250,000.00	250,000.00					250,000.00
UBS AG DEPOSIT ACCOUNT	384,982.35	382,553.72					
Total	**$634,982.35**	**$632,553.72**					

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**632,553.72**	**100.00%**	**632,553.72**		
Total		**$632,553.72**	**100.00%**	**$632,553.72**		

Account activity this month

You have qualified for a $150.00 Annual account fee waiver.

	Date	Activity	Description	Amount ($)
Dividend and interest income				
Taxable interest	Dec 6	Interest	UBS AG DEPOSIT ACCOUNT AS OF 12/05/13	9.28
	Dec 6	Interest	UBS BANK USA DEPOSIT ACCOUNT AS OF 12/05/13	6.09
	Total taxable interest			**$15.37**
	Total dividend and interest income			**$15.37**

Account name: JILL FOSS & TODD WATSON TTEES
Friendly account name: Pathways GEIP
Account number: Y6 09811 XG

Your Financial Advisor:
PROPHIT/GOODENOUGH/DEMKO
310-734-2400/888-843-6991

Your assets

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

Cash

Cash and money balances

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

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

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
UBS BANK USA DEP ACCT	10,835.83	13,648.16					250,000.00

Equities

Closed end funds & Exchange traded products

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

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

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

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

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
ISHARES RUSSELL 2000 ETF									
Symbol· IWM									
Trade date: Jul 22, 13	96 000	104.470	10,029.18	10,029.18	115.360	11,074.56	1,045.38		ST
Trade date: Oct 8, 13	671.000	104.239	69,944.97	69,944.97	115.360	77,406.56	7,461.59		ST
Trade date: Oct 21, 13	584.000	110.996	64,821.89	64,821.89	115.360	67,370.24	2,548.35		ST
Trade date: Nov 18, 13	15.000	110.970	1,664.55	1,664.55	115.360	1,730.40	65.85		ST
Trade date: Dec 23, 13	58.000	114.137	6,619.95	6,619.95	115.360	6,690.88	70.93		ST

continued next page

Your assets › **Equities** › **Closed end funds & Exchange traded products** (continued)

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
EAI: $2,014 Current yield: 1.23%									
Security total	1,424.000	107.500	153,080.54	153,080.54		164,272.64	11,192.10	11,192.10	
ISHARES US REAL ESTATE ETF									
Symbol. IYR									
Trade date: Sep 23, 13	187.000	65.593	14,507.43	14,507.43[2]	63.080	11,795.96	-2,711.47		ST
Trade date: Oct 8, 13	790.000	63.316	51,217.23	51,217.23[2]	63.080	49,833.20	-1,384.03		
Trade date: Nov 18, 13	51.000	64.899	3,309.89	3,309.89	63.080	3,217.08	-92.81		ST
EAI: $2,451 Current yield: 3.78%									
Security total	1,028.000	67.154	69,034.55	69,034.55		64,846.24	-4,188.31	-4,188.31	
ISHARES MSCI EAFE ETF									
Symbol: EFA									
Trade date: Sep 23, 13	86.000	64.106	5,574.48	5,574.48[2]	67.095	5,770.17	195.69		ST
Trade date: Oct 8, 13	1,432.000	62.826	89,967.55	89,967.55	67.095	96,080.04	6,112.49		ST
Trade date: Oct 21, 13	1,401.000	66.076	92,572.79	92,572.79	67.095	94,000.09	1,427.30		ST
Trade date: Nov 18, 13	11.000	66.520	731.72	731.72	67.095	738.04	6.32		ST
Trade date: Dec 23, 13	383.000	65.452	25,068.14	25,068.14	67.095	25,697.38	629.24		ST
EAI: $5,642 Current yield: 2.54%									
Security total	3,313.000	64.568	213,914.68	213,914.68		222,285.73	8,371.04	8,371.04	
ISHARES MSCI EMERGING MARKETS ETF									
Symbol· EEM									
Trade date: Sep 23, 13	1,067.000	42.224	48,215.18	48,215.18[2]	41.795	44,595.26	-3,619.92		
Trade date: Oct 8, 13	1,507.000	41.468	62,493.48	62,493.48	41.795	62,985.06	491.58		ST
Trade date: Oct 21, 13	13.000	43.295	562.84	562.84	41.795	543.33	-19.51		ST
Trade date: Nov 18, 13	74.000	42.779	3,165.68	3,165.68	41.795	3,092.83	-72.85		ST
EAI: $2,283 Current yield: 2.05%									
Security total	2,661.000	43.005	114,437.18	114,437.18		111,216.49	-3,220.70	-3,220.70	
SPDR S&P MIDCAP 400 ETF TR									
Symbol: MDY									
Trade date: Jul 22, 13	342.000	225.223	77,939.28	77,939.28[2]	244.200	83,516.40	5,577.12		ST
Trade date: Sep 23, 13	3.000	225.553	676.66	676.66	244.200	732.60	55.94		ST

continued next page

Your assets › Equities › Closed end funds & Exchange traded products (continued)

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
Trade date: Oct 8, 13	335.000	223.514	74,877.19	74,877.19	244 200	81,807.00	6,929.81		ST
Trade date: Dec 23, 13	40.000	241.122	9,644.91	9,644.91	244.200	9,768.00	123.09		ST
EAI: $1,876 Current yield: 1.07%									
Security total	720.000	226.581	163,138.04	163,138.04		175,824.00	12,685.96	12,685.96	
SPDR S&P 500 ETF TR									
Symbol: SPY									
Trade date: Oct 21, 13	1,908.000	174.588	333,115.55	333,115.55	184.690	352,388.52	19,272.97		ST
Trade date: Dec 23, 13	6.000	182.440	1,094.64	1,094.64	184.690	1,108.14	13.50		ST
EAI: $6,414 Current yield: 1.81%									
Security total	1,914.000	174.613	334,210.19	334,210.19		353,496.66	19,286.47	19,286.47	
Total			**$1,047,815.18**	**$1,047,815.18**		**$1,091,941.76**	**$44,126.56**	**$44,126.58**	

Total estimated annual income: $20,680

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

Short options

Holding	Trade date	Number of contracts	Sale price per contract ($)	Sale proceeds ($)	Price per contract on Dec 31 ($)	Contract premium ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
CALL SPDR S&P 500 ETF TR DUE 01/18/14 188.000 Expires: Jan 14 Symbol: SPY	Dec 23, 13	-19.000	0.223	-425.53	52.500	0.525	-997.50	-571.97	ST
CALL ISHARES RUSSELL 200 DUE 01/18/14 119.000 Expires: Jan 14 Symbol. IWM	Dec 23, 13	-14.000	0.229	-321.99	30.000	0.300	-420.00	-98.01	ST
CALL ISHARES MSCI EMERGI DUE 01/18/14 42.500 Expires: Jan 14 Symbol: EEM	Dec 23, 13	-26.000	0.151	-392.81	37.000	0 370	-962.00	-569.19	ST
Total				**-$1,140.33**			**-$2,379.50**	**-$1,239.17**	

Your assets (continued)

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**13,648.16**	**1.24%**	**13,648.16**		
Equities	Closed end funds & Exchange traded products	1,091,941.76		1,047,815.18	20,680.00	44,126.56
	Short options	-2,379.50		-1,140.33		-1,239.17
	Total equities	**1,089,562.26**	**98.76%**	**1,046,674.85**	**20,680.00**	**42,887.39**
Total		**$1,103,210.42**	**100.00%**	**$1,060,323.01**	**$20,680.00**	**$42,887.39**

Account activity this month

	Date	Activity	Description	Amount ($)
Dividend and Interest Income				
Taxable dividends	Dec 30	Dividend	ISHARES RUSSELL 2000 ETF PAID ON 1366	596.58
	Dec 30	Dividend	ISHARES US REAL ESTATE ETF PAID ON 1335	786.16
	Dec 30	Dividend	ISHARES MSCI EAFE ETF PAID ON 2930	1,616.51
	Dec 30	Dividend	ISHARES MSCI EMERGING MARKETS ETF PAID ON 3164	1,157.32
	Total taxable dividends			**$4,156.57**
Taxable interest	Dec 6	Interest	UBS BANK USA DEPOSIT ACCOUNT AS OF 12/05/13	0.29
	Total taxable interest			**$0.29**
	Total dividend and interest income			**$4,156.86**

Investment transactions

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document.

Date	Activity	Description	Quantity	Value ($)	Price ($)	Proceeds from investment transactions ($)	Funds withdrawn for investments bought ($)	Accrued interest ($)
Dec 23	Expiration	CALL ISHARES MSCI EMERGI DUE 12/21/13 45.000	31.000					
Dec 23	Expiration	CALL ISHARES RUSSELL 200 DUE 12/21/13 116 000	13.000					
Dec 23	Expiration	CALL SPDR S&P 500 ETF TR DUE 12/21/13 187.000	19.000					
Dec 23	Expiration	CALL SPDR S&P MIDCAP 400 DUE 12/21/13 245.000	6.000					

continued next page

Your assets

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

Cash

Cash and money balances

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

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

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/interest period	Days in period	Cap amount ($)
UBS BANK USA DEP ACCT	22,931.36	31,332.72					250,000.00

Cash alternatives

Money market funds

Money market funds are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in these funds.

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

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

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

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

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Investment return ($)	Holding period
UBS SELECT PRIME INSTITUTIONAL FUND	510,204.210	1.000	510,204.21	510,204.21	1.000	510,204.21			

EAI: $102 Current yield. 0.02%

Your assets (continued)

Fixed income

Closed end funds & Exchange traded products

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

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

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

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

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
BLACKSTONE / GSO STRATEGIC									
Symbol: BGB									
Trade date: Oct 9, 13	14,000.000	17.774	248,837.17	248,837.17	17.800	249,200.00	362.83	362.83	ST
EAI: $19,656 Current yield: 7.89%									
BROOKFIELD MTG OPPORTUNITY INCOME FD INC									
Symbol: BOI									
Trade date: Jun 25, 13	14,000.000	17.912	250,781.21	250,781.21	16.570	231,980.00	-18,801.21	-18,801.21	ST
EAI: $21,350 Current yield: 9.20%									
DOUBLELINE INCOME SOLUTIONS FD									
Symbol: DSL									
Trade date: Jun 25, 13	11,000.000	22.527	247,800.05	247,800.05	21.090	231,990.00	-15,810.05	-15,810.05	ST
EAI: $19,800 Current yield: 8.53%									
GUGGENHEIM CR ALLOCATION FD									
Symbol: GGM									
Trade date: Jun 25, 13	10,000.000	25.000	250,000.00	250,000.00	22.490	224,900.00	-25,100.00	-25,100.00	ST
EAI: $19,380 Current yield: 8.62%									
PIMCO DYNAMIC INCOME FD									
Symbol: PDI									
Trade date: Jun 25, 13	9,000.000	28.758	258,828.51	258,828.51	29.130	262,170.00	3,341.49	3,341.49	ST
EAI. $20,628 Current yield: 7.87%									
Total			**$1,256,246.94**	**$1,256,246.94**		**$1,200,240.00**	**-$56,006.94**	**-$56,006.94**	

Total estimated annual income: $100,814

Account name: JILL FOSS WATSON & TODD R
Friendly account name: Pathways Brok
Account number: Y6 11509 PX

Your Financial Advisor:
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Your assets (continued)

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**31,332.72**	**1.80%**	**31,332.72**		
Cash alternatives	**Money market funds**	**510,204.21**	**29.29%**	**510,204.21**	**102.00**	
Fixed Income	**Closed end funds & Exchange traded products**	**1,200,240.00**	**68.91%**	**1,256,246.94**	**100,814.00**	**-56,006.94**
Total		**$1,741,776.93**	**100.00%**	**$1,797,783.87**	**$100,916.00**	**-$56,006.94**

Account activity this month

	Date	Activity	Description	Amount ($)
Dividend and Interest Income				
Taxable dividends	Dec 2	Dividend	PIMCO DYNAMIC INCOME FD PAID ON 9000	1,719.00
	Dec 10	St Cap Gain	UBS SELECT PRIME INSTITUTIONAL FUND	6.67
	Dec 27	Dividend	BROOKFIELD MTG OPPORTUNITY INCOME FD INC PAID ON 14000	1,779.40
	Dec 30	Dividend	BLACKSTONE / GSO STRATEGIC PAID ON 14000	1,638.00
	Dec 30	Dividend	DOUBLELINE INCOME SOLUTIONS FD PAID ON 11000	1,650.00
	Dec 30	Dividend	GUGGENHEIM CR ALLOCATION FD PAID ON 10000	1,614.60
	Dec 31	Dividend	UBS SELECT PRIME INSTITUTIONAL FUND	9.76
	Total taxable dividends			**$8,417.43**
Taxable interest	Dec 6	Interest	UBS BANK USA DEPOSIT ACCOUNT AS OF 12/05/13	0.36
	Total taxable interest			**$0.36**
	Total dividend and interest income			**$8,417.79**

Investment transactions

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document.

Date	Activity	Description	Quantity	Value ($)	Price ($)	Proceeds from investment transactions ($)	Funds withdrawn for investments bought ($)	Accrued interest ($)
Dec 10	Reinvestment	UBS SELECT PRIME INSTITUTIONAL FUND SHORT TERM CAPITAL GAIN AT 1.00 NAV ON 12/10/13	6.670				-6.67	
Dec 31	Reinvestment	UBS SELECT PRIME INSTITUTIONAL FUND DIVIDEND REINVESTED AT 1.00 NAV ON 12/31/13	9.760				-9.76	
Total							**-$16.43**	

Your assets

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

Cash

Cash and money balances

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

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

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
UBS BANK USA DEP ACCT	170,459.07	95,842.84					250,000.00

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
AFLAC INC								
Symbol: AFL Exchange: NYSE								
EAI: $444 Current yield: 2.22%	Jul 29, 13	150.000	60.663	9,099.54	66.800	10,020.00	920.46	ST
	Aug 27, 13	150.000	58.591	8,788.73	66.800	10,020.00	1,231.27	ST
Security total		300.000	59.628	17,888.27		20,040.00	2,151.73	
BOEING COMPANY								
Symbol: BA Exchange: NYSE								
EAI: $438 Current yield: 2.14%	Jul 29, 13	80.000	104.946	8,395.74	136.490	10,919.20	2,523.46	ST
	Oct 8, 13	70.000	116.460	8,152.20	136 490	9,554.30	1,402.10	ST
Security total		150.000	110.320	16,547.94		20,473.50	3,925.56	
CLOROX CO								
Symbol: CLX Exchange. NYSE								
EAI: $568 Current yield: 3.06%	Jul 29, 13	100.000	85.661	8,566.10	92.760	9,276.00	709.90	ST
	Aug 27, 13	100.000	82.692	8,269.25	92.760	9,276.00	1,006.75	ST

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Your Financial Advisor:
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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Security total		200.000	84.177	16,835.35		18,552.00	1,716.65	
COCA COLA CO COM								
Symbol: KO Exchange: NYSE								
EAI: $930 Current yield: 2.71%	Jul 29, 13	220.000	40.345	8,876.01	41.310	9,088.20	212.19	ST
	Aug 22, 13	230.000	38.376	8,826.55	41 310	9,501.30	674.75	ST
	Oct 8, 13	240.000	37.016	8,883.89	41.310	9,914.40	1,030.51	ST
	Dec 12, 13	140.000	39.455	5,523.76	41.310	5,783.40	259.64	ST
Security total		830.000	38.687	32,110.21		34,287.30	2,177.09	
COLGATE PALMOLIVE CO								
Symbol: CL Exchange: NYSE								
EAI: $422 Current yield. 2.09%	Jul 29, 13	150.000	59.966	8,995.02	65.210	9,781.50	786.48	ST
	Aug 22, 13	160.000	58.372	9,339.60	65.210	10,433.60	1,094.00	ST
Security total		310.000	59.144	18,334.62		20,215.10	1,880.48	
CSX CORPORATION								
Symbol: CSX Exchange: NYSE								
EAI: $438 Current yield: 2.09%	Jul 29, 13	370.000	24.706	9,141.52	28.770	10,644.90	1,503.38	ST
	Oct 8, 13	360.000	25.466	9,167.83	28.770	10,357.20	1,189.37	ST
Security total		730.000	25.081	18,309.35		21,002.10	2,692.75	
DIAGEO PLC NEW GB SPON ADR								
Symbol: DEO Exchange: NYSE								
EAI: $824 Current yield: 2.26%	Jul 29, 13	70.000	122.789	8,595.29	132.420	9,269.40	674.11	ST
	Oct 8, 13	70.000	124.400	8,708.00	132.420	9,269.40	561.40	ST
	Nov 22, 13	135.000	128.168	17,302.68	132.420	17,876.70	574.02	ST
Security total		275 000	125 840	34,605 97		36,415 50	1,809.53	
EMERSON ELECTRIC CO								
Symbol: EMR Exchange: NYSE								
EAI: $499 Current yield: 2.45%	Jul 29, 13	150.000	59.685	8,952.83	70.180	10,527.00	1,574.17	ST
	Oct 8, 13	140.000	63.450	8,883.00	70.180	9,825.20	942.20	ST
Security total		290.000	61.503	17,835.83		20,352.20	2,516.37	
ILLINOIS TOOL WORKS INC								
Symbol: ITW Exchange: NYSE								
EAI: $403 Current yield: 2.00%	Jul 29, 13	120.000	71.711	8,605.38	84.080	10,089.60	1,484.22	ST
	Oct 8, 13	120.000	74.682	8,961.90	84.080	10,089.60	1,127.70	ST

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Account name: JILL FOSS WATSON & TODD WATSON
Friendly account name: Pathways DVD R
Account number: Y6 11610 PX

Your Financial Advisor:
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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Security total		240.000	73.197	17,567 28		20,179.20	2,611.92	
INTEL CORP								
Symbol: INTC Exchange: OTC								
EAI: $1,260 Current yield: 3.47%	Jul 29, 13	400.000	23.146	9,258.68	25.955	10,382.00	1,123.32	ST
	Aug 22, 13	400.000	22.220	8,888.00	25.955	10,382.00	1,494.00	ST
	Nov 22, 13	600.000	24.026	14,415.66	25.955	15,573.00	1,157.34	ST
Security total		1,400.000	23.259	32,562.34		36,337.00	3,774.66	
JOHNSON & JOHNSON COM								
Symbol: JNJ Exchange: NYSE								
EAI: $990 Current yield: 2.88%	Jul 29, 13	100.000	92.949	9,294.99	91.590	9,159.00	-135.99	ST
	Aug 22, 13	100.000	88.142	8,814.25	91.590	9,159.00	344.75	ST
	Oct 8, 13	100.000	86.465	8,646.55	91.590	9,159.00	512.45	ST
	Dec 12, 13	75.000	91.260	6,844.50	91.590	6,869.25	24.75	ST
Security total		375.000	89.601	33,600.29		34,346.25	745.96	
MEDTRONIC INC								
Symbol. MDT Exchange. NYSE								
EAI: $672 Current yield: 1.95%	Jul 29, 13	160.000	55.266	8,842.69	57.390	9,182.40	339.71	ST
	Aug 27, 13	160.000	51 735	8,277.68	57.390	9,182.40	904.72	ST
	Dec 12, 13	280.000	55.707	15,598.10	57.390	16,069.20	471.10	ST
Security total		600.000	54.531	32,718.47		34,434.00	1,715.53	
MICROSOFT CORP								
Symbol: MSFT Exchange: OTC								
EAI: $952 Current yield: 2.99%	Dec 10, 13	850.000	38.259	32,520.92	37.410	31,798.50	-722.42	ST
NEXTERA ENERGY INC COM								
Symbol· NEE Exchange· NYSE								
EAI: $792 Current yield: 3.08%	Jul 29, 13	100.000	85.265	8,526.55	85.620	8,562.00	35.45	ST
	Aug 22, 13	100.000	80.893	8,089.36	85.620	8,562.00	472.64	ST
	Oct 8, 13	100.000	80.543	8,054.34	85.620	8,562.00	507.66	ST
Security total		300.000	82.234	24,670.25		25,686.00	1,015.75	
NORDSTROM INC								
Symbol: JWN Exchange: NYSE								
EAI: $360 Current yield: 1.94%	Aug 22, 13	300.000	56.805	17,041.53	61.800	18,540.00	1,498.47	ST

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Account name: JILL FOSS WATSON & TODD WATSON
Friendly account name: Pathways DVD R
Account number: Y6 11610 PX

Your Financial Advisor:
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310-734-2400/888-843-6991

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

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
NORTHEAST UTILITIES								
Symbol. NU Exchange: NYSE								
EAI: $882 Current yield: 3.47%	Jul 29, 13	210.000	44.047	9,249.96	42.390	8,901.90	-348.06	ST
	Aug 22, 13	190.000	41.253	7,838.18	42.390	8,054.10	215.92	ST
	Oct 8, 13	200.000	41.226	8,245.24	42.390	8,478.00	232.76	ST
Security total		600.000	42.222	25,333.38		25,434.00	100.62	
NOVARTIS AG SPON ADR								
Symbol: NVS Exchange: NYSE								
EAI: $874 Current yield: 2.56%	Jul 29, 13	130.000	71.464	9,290.42	80.380	10,449.40	1,158.98	ST
	Oct 8, 13	120.000	74.465	8,935.86	80.380	9,645.60	709.74	ST
	Dec 12, 13	175.000	76.500	13,387.50	80.380	14,066.50	679.00	ST
Security total		425.000	74.385	31,613.78		34,161.50	2,547.72	
OCCIDENTAL PETROLEUM CRP								
Symbol· OXY Exchange· NYSE								
EAI: $512 Current yield: 2.69%	Jul 29, 13	100.000	89.573	8,957.35	95.100	9,510.00	552.65	ST
	Aug 22, 13	100.000	86.484	8,648.40	95.100	9,510.00	861.60	ST
Security total		200.000	88.029	17,605.75		19,020.00	1,414.25	
PEARSON PLC SPON ADR								
Symbol: PSO Exchange. NYSE								
EAI: $1,149 Current yield· 3.21%	Jul 29, 13	460.000	20.142	9,265.41	22.400	10,304.00	1,038.59	ST
	Aug 29, 13	440.000	19.773	8,700.55	22.400	9,856.00	1,155.45	ST
	Dec 4, 13	700.000	21.251	14,875.98	22.400	15,680.00	804.02	ST
Security total		1,600.000	20.526	32,841.94		35,840.00	2,998.06	
SANOFI SPON ADR								
Symbol: SNY Exchange: NYSE								
EAI: $659 Current yield: 2.34%	Jul 29, 13	170.000	52.986	9,007.75	53.630	9,117.10	109.35	ST
	Aug 22, 13	180.000	50.309	9,055.79	53.630	9,653.40	597.61	ST
	Oct 8, 13	175.000	50.107	8,768.74	53.630	9,385.25	616.51	ST
Security total		525.000	51.109	26,832.28		28,155.75	1,323.47	
STANLEY BLACK & DECKER INC COM								
Symbol· SWK Exchange: NYSE								
EAI: $600 Current yield: 2.48%	Aug 27, 13	200.000	85.355	17,071.01	80.690	16,138.00	-933.01	ST
	Oct 16, 13	100.000	77.665	7,766.55	80.690	8,069.00	302.45	ST

continued next page

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

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Security total		300.000	82.792	24,837.56		24,207.00	-630.56	
TEVA PHARMACEUTICALS IND LTD ISRAEL ADR								
Symbol: TEVA Exchange: OTC								
EAI: $500 Current yield: 2.71%	Jul 29, 13	230.000	39.875	9,171.40	40.080	9,218.40	47.00	ST
	Aug 27, 13	230.000	38.533	8,862.71	40.080	9,218.40	355.69	ST
Security total		460.000	39 205	18,034 11		18,436.80	402.69	
UNILEVER PLC AMER SHS NEW SPON ADR								
Symbol: UL Exchange: NYSE								
EAI: $1,172 Current yield: 3.39%	Jul 29, 13	220.000	40 627	8,938.03	41.200	9,064.00	125.97	ST
	Aug 27, 13	220.000	39.315	8,649.41	41.200	9,064.00	414.59	ST
	Oct 8, 13	230.000	37.946	8,727.76	41.200	9,476.00	748.24	ST
	Dec 12, 13	170.000	39.135	6,652.97	41.200	7,004.00	351.03	ST
Security total		840.000	39.248	32,968.17		34,608.00	1,639.83	
UNITED PARCEL SERVICE INC CL B								
Symbol: UPS Exchange: NYSE								
EAI: $496 Current yield: 2.36%	Jul 29, 13	100.000	86.873	8,687.35	105.080	10,508.00	1,820.65	ST
	Oct 8, 13	100.000	89.826	8,982.68	105.080	10,508.00	1,525.32	ST
Security total		200.000	88.350	17,670.03		21,016.00	3,345.97	
UNTD TECHNOLOGIES CORP								
Symbol: UTX Exchange: NYSE								
EAI: $401 Current yield: 2.07%	Jul 29, 13	80.000	104.740	8,379.20	113.800	9,104.00	724.80	ST
	Aug 27, 13	90.000	101.070	9,096.30	113.800	10,242.00	1,145.70	ST
Security total		170.000	102.797	17,475.50		19,346.00	1,870.50	
VF CORP								
Symbol: VFC Exchange: NYSE								
EAI: $378 Current yield: 1.68%	Jul 29, 13	160.000	49.272	7,883.60	62.340	9,974.40	2,090.80	ST
	Aug 22, 13	200.000	47.567	9,513.50	62.340	12,468.00	2,954.50	ST
Security total		360.000	48 325	17,397 10		22,442.40	5,045.30	
YUMI BRANDS INC								
Symbol: YUM Exchange: NYSE								
EAI: $666 Current yield: 1.96%	Nov 11, 13	450.000	71.875	32,343.89	75.610	34,024.50	1,680.61	ST

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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Total				**$658,102.11**		**$709,350.60**	**$51,248.49**	

Total estimated annual income: $18,281

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**95,842.84**	**11.90%**	**95,842.84**		
Equities	**Common stock**	**709,350.60**	**88.10%**	**658,102.11**	**18,281.00**	**51,248.49**
Total		**$805,193.44**	**100.00%**	**$753,944.95**	**$18,281.00**	**$51,248.49**

Account activity this month

	Date	Activity	Description	Amount ($)
Dividend and interest income				
Taxable dividends	Dec 2	Dividend	INTEL CORP PAID ON 800AS OF 12/01/13	180.00
	Dec 2	Dividend	AFLAC INC PAID ON 300	111.00
	Dec 3	Foreign Dividend	TEVA PHARMACEUTICALS IND LTD ISRAEL ADR PAID ON 460 CUSIP: 881624209	150.20
	Dec 4	Dividend	UNITED PARCEL SERVICE INC CL B PAID ON 200	124.00
	Dec 6	Dividend	BOEING COMPANY PAID ON 150	72.75
	Dec 10	Dividend	EMERSON ELECTRIC CO PAID ON 290	124.70
	Dec 10	Dividend	JOHNSON & JOHNSON COM PAID ON 300	198.00
	Dec 10	Dividend	STANLEY BLACK & DECKER INC COM PAID ON 300	150.00
	Dec 10	Dividend	UNTD TECHNOLOGIES CORP PAID ON 170	100.30
	Dec 11	Foreign Dividend	UNILEVER PLC AMER SHS NEW SPON ADR PAID ON 670 CUSIP: 904767704	246.43
	Dec 13	Dividend	CSX CORPORATION PAID ON 730	109.50
	Dec 16	Dividend	COCA COLA CO COM PAID ON 690	193.20
	Dec 16	Dividend	NORDSTROM INC PAID ON 300	90.00
	Dec 16	Dividend	NEXTERA ENERGY INC COM PAID ON 300	198.00
	Dec 20	Dividend	VF CORP PAID ON 90	94.50
	Dec 30	Dividend	NORTHEAST UTILITIES PAID ON 600	220.50
	Total taxable dividends			**$2,363.08**

Your assets

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

Cash

Cash and money balances

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

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

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/interest period	Days in period	Cap amount ($)
Cash	22,073.75	0.00					
UBS BANK USA DEP ACCT	20,720.40	47,933.38					250,000.00
Total	**$42,794.15**	**$47,933.38**					

Cash alternatives

Money market instruments

Holding	Trade date	Quantity	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
U S TREASURY BILL MATURES 02/13/14 CUSIP 912796BY4	Nov 15, 13	56,000.000	99.983	55,990.53	99.998	55,998.88	8.35	ST

Account name: JILL FOSS WATSON & TODD WATSON
Friendly account name: Pathways Dolan
Account number: Y6 11611 PX

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Your assets (continued)

Fixed income

Corporate bonds and notes

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
AVNET INC NTS 0BP RATE 06.625% MATURES 09/15/16 ACCRUED INTEREST $585.20 CUSIP 053807AN3 Moody: Baa3 S&P: BBB- EAI: $1,988 Current yield: 5.91% Original cost basis: $33,825.00	Jul 31, 13	30,000.000	111.087	33,326.39	112.053	33,615.90	289.51	ST
SEAGATE TECH HDD HLDG W + 50BP RATE 06.800% MATURES 10/01/16 ACCRUED INTEREST $510 00 CUSIP 81180RAE2 Moody: Ba1 S&P: BBB- EAI. $2,040 Current yield: 6.02% Original cost basis: $33,495.00	Jul 31, 13	30,000.000	110.163	33,049.02	113.000	33,900.00	850.98	ST
WILLIS GROUP N AMER MW+25BP RATE 06.200% MATURES 03/28/17 ACCRUED INTEREST $480.50 CUSIP 970648AD3 Moody: Baa3 S&P: BBB- EAI: $1,860 Current yield: 5.71%	Jul 31, 13	30,000.000	111.350	33,405.00	108.550	32,565.00	-840.00	ST
JANUS CAPITAL GROUP INC CALL@MW+25BP RATE 06.700% MATURES 06/15/17 ACCRUED INTEREST $89.33 CUSIP 47102XAF2 Moody: Baa3 S&P: BBB- EAI: $2,010 Current yield: 6.02%	Jul 31, 13	30,000.000	112.125	33,637.50	111.358	33,407.40	-230.10	ST

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ADT CORP NTS B/E CALL@MW+25BP RATE 02.250% MATURES 07/15/17 ACCRUED INTEREST $311 25 CUSIP 00101JAE6 Moody: Ba2 S&P: BB- EAI: $675 Current yield: 2.29%	Oct 23, 13	30,000.000	97.062	29,118.75	98.406	29,521.80	403.05	ST
LIMITED INC CALL@MW+30BP RATE 06.900% MATURES 07/15/17 ACCRUED INTEREST $636 33 CUSIP 532716AM9 Moody: Ba2 S&P: BB- EAI: $1,380 Current yield. 6.00% Original cost basis: $22,575.00	Jul 30, 13	20,000.000	111.588	22,317.79	115.000	23,000.00	682.21	ST
FISERV INC NTS B/E OBP FC052008 RATE 06.800% MATURES 11/20/17 ACCRUED INTEREST $232.33 CUSIP 337738AG3 Moody: Baa2 S&P: BBB- EAI: $2,040 Current yield: 5.90% Original cost basis. $34,807.50	Jul 31, 13	30,000.000	114.651	34,395.39	115.220	34,566.00	170.61	ST
R R DONNELLEY & SONS CO WHOLE T+50BP RATE 07.250% MATURES 05/15/18 ACCRUED INTEREST $92.63 CUSIP 257867AX9 Moody: Ba3 S&P: BB- EAI. $725 Current yield. 6.39% Original cost basis· $11,150.00	Sep 11, 13	10,000.000	110.814	11,081.46	113.500	11,350.00	268.54	ST

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
XEROX CORP NTS B/E CALL@MW+40BP RATE 06.350% MATURES 05/15/18 ACCRUED INTEREST $243.41 CUSIP 984121BW2 Moody: Baa2 S&P: BBB EAI: $1,905 Current yield: 5.56% Original cost basis: $34,477.50	Jul 31, 13	30,000.000	113.697	34,109.10	114.288	34,286.40	177.30	ST
LEXMARK INTL INC NTS CALL@MW+40BP RATE 06.650% MATURES 06/01/18 ACCRUED INTEREST $166.25 CUSIP 529772AE5 Moody: Baa3 S&P: BBB- EAI: $1,995 Current yield: 5.95%	Jul 31, 13	30,000.000	109.875	32,962.50	111.745	33,523.50	561.00	ST
HUMANA INC RATE 06.300% MATURES 08/01/18 ACCRUED INTEREST $787.50 CUSIP 444859AU6 Moody: Baa3 S&P: BBB+ EAI: $1,890 Current yield: 5.50% Original cost basis: $34,687.50	Jul 31, 13	30,000.000	114.398	34,319.61	114.493	34,347.90	28.29	ST
DAVITA INC B/E CALL@MW+50BP RATE 06.375% MATURES 11/01/18 ACCRUED INTEREST $318.75 CUSIP 23918KAL2 Moody: B2 S&P: B EAI: $1,913 Current yield: 6.07% Original cost basis: $31,657.50	Jul 31, 13	30,000.000	105.133	31,540.02	105.000	31,500.00	-40.02	ST
ALTRIA GROUP INC RATE 09.700% MATURES 11/10/18 ACCRUED INTEREST $137.41 CUSIP 02209SAD5 Moody: Baa1 S&P: BBB EAI: $970 Current yield: 7.38%	Aug 20, 13	10,000.000	131.950	13,195.00	131.439	13,143.90	-51.10	ST

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
HERTZ CORP NTS B/E RATE 06.750% MATURES 04/15/19 CALLABLE ACCRUED INTEREST $285.00 CUSIP 428040CJ6 Moody: B2 S&P: B EAI: $1,350 Current yield: 6.26% Original cost basis: $21,605.00	Jul 31, 13	20,000.000	107.507	21,501.43	107.750	21,550.00	48.57	ST
INTL GAME TECHNOLOGY B/E RATE 07.500% MATURES 06/15/19 ACCRUED INTEREST $83.33 CUSIP 459902AR3 Moody: Baa2 S&P: BBB EAI: $1,875 Current yield: 6.45% Original cost basis: $28,962.50	Aug 23, 13	25,000.000	114.986	28,746.66	116.367	29,091.75	345.09	ST
L-3 COMM CORP NTS B/E RATE 05.200% MATURES 10/15/19 ACCRUED INTEREST $329 33 CUSIP 502413AY3 Moody: Baa3 S&P: BBB- EAI: $1,560 Current yield: 4.81% Original cost basis: $32,487.60	Jul 31, 13	30,000.000	107.786	32,335.97	108.085	32,425.50	89.53	ST
HCA INC NTS B/E OBP RATE 06 500% MATURES 02/15/20 ACCRUED INTEREST $491.11 CUSIP 404121AC9 Moody: Ba3 S&P: BB EAI: $1,300 Current yield: 5.92% Original cost basis. $21,570.00	Sep 04, 13	20,000.000	107.510	21,502.08	109.875	21,975.00	472.92	ST

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ARROW ELECTRONICS INC 0BP NTS B/E RATE 06.000% MATURES 04/01/20 ACCRUED INTEREST $450.00 CUSIP 042735BA7 Moody: Baa3 S&P: BBB- EAI: $1,800 Current yield: 5.63% Original cost basis: $32,857.50	Jul 31, 13	30,000.000	108.999	32,699.96	106.646	31,993.80	-706.16	ST
VALMONT INDUSTRIES INC +45BP RATE 06.625% MATURES 04/20/20 ACCRUED INTEREST $391.98 CUSIP 920253AD3 Moody: Baa2 S&P: BBB EAI: $1,988 Current yield: 5.90% Original cost basis: $34,042.50	Jul 31, 13	30,000.000	112.737	33,821.31	112.197	33,659.10	-162.21	ST
ALCOA INC RATE 06.150% MATURES 08/15/20 ACCRUED INTEREST $696.99 CUSIP 013817AU5 Moody: Ba1 S&P: BBB- EAI: $1,845 Current yield: 5.71% Original cost basis: $31,058.10	Jul 31, 13	30,000.000	103.352	31,005.60	107.770	32,331.00	1,325.40	ST
EXPEDIA INC NTS B/E CALL@MW+50BP RATE 05.950% MATURES 08/15/20 ACCRUED INTEREST $674.33 CUSIP 30212PAH8 Moody: Ba1 S&P: BBB- EAI: $1,785 Current yield: 5.50% Original cost basis: $31,537.50	Jul 31, 13	30,000.000	104.866	31,460.02	108.238	32,471.40	1,011.38	ST

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
BALL CORP NTS B/E RATE 06.750% MATURES 09/15/20 ACCRUED INTEREST $596.25 CUSIP 058498AP1 Moody: Ba1 S&P: BB+ EAI: $2,025 Current yield: 6.21% Original cost basis: $32,512.50	Jul 31, 13	30,000.000	107.961	32,388.38	108.750	32,625.00	236.62	ST
DELUXE CORP NTS B/E CALL@MW+50BP RATE 06.000% MATURES 11/15/20 ACCRUED INTEREST $230 00 CUSIP 248019AS0 Moody: Ba2 S&P: BB EAI: $1,800 Current yield: 5.81% Original cost basis: $31,350.00	Jul 30, 13	30,000.000	104.321	31,296.56	103.250	30,975.00	-321.56	ST
SCOTTS MIRACLE-GRO CO 0BP RATE 06.625% MATURES 12/15/20 CALLABLE ACCRUED INTEREST $88.33 CUSIP 810186AK2 Moody: B1 S&P: BB- EAI: $1,988 Current yield. 6.15% Original cost basis: $31,912.50	Jul 31, 13	30,000.000	106.076	31,822.85	107.750	32,325.00	502.15	ST
BEST BUY CO INC B/E E-WHOLE+ 30BP RATE 05.500% MATURES 03/15/21 ACCRUED INTEREST $566.80 CUSIP 086516AL5 Moody: Baa2 S&P: BB EAI: $1,925 Current yield: 5.46%	Jul 31, 13	35,000.000	96.825	33,888.75	100.750	35,262.50	1,373.75	ST

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
GAP INC CALL@MW T+40BP RATE 05.950% MATURES 04/12/21 ACCRUED INTEREST $391.70 CUSIP 364760AK4 Moody: Baa3 S&P: BBB- EAI: $1,785 Current yield: 5.38% Original cost basis: $33,539.10	Jul 31, 13	30,000.000	111.242	33,372.78	110.497	33,149.10	-223.68	ST
VERISK ANALYTICS INC B/E 0BP RATE 05.800% MATURES 05/01/21 ACCRUED INTEREST $290.00 CUSIP 92345YAA4 Moody: Ba1 S&P: BBB- EAI: $1,740 Current yield: 5.37% Original cost basis: $33,195.00	Jul 31, 13	30,000.000	110.154	33,046.25	107.994	32,398.20	-648.05	ST
CENTURYLINK INC NTS B/E CALL@MW +50BP RATE 06.450% MATURES 06/15/21 ACCRUED INTEREST $86.00 CUSIP 156700AR7 Moody: Ba2 S&P: BB EAI: $1,935 Current yield: 6.20% Original cost basis: $31,771.20	Jul 31, 13	30,000.000	105.648	31,694.44	104.000	31,200.00	-494.44	ST
IAC INTERACTIVECORP NTS CALL@MW+50BP RATE 04.750% MATURES 12/15/22 CALLABLE ACCRUED INTEREST $21.11 CUSIP 44919PAC6 Moody: Ba1 S&P: BB+ EAI: $475 Current yield: 5.09%	Nov 15, 13	10,000.000	93.750	9,375.00	93.250	9,325.00	-50.00	ST

continued next page

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

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
BRINKER INTL INC CALL@MW+35BP RATE 03.875% MATURES 05/15/23 ACCRUED INTEREST $74.27 CUSIP 109641AG5 Moody: Ba2 S&P: BBB- EAI: $581 Current yield: 4.30%	Jul 31, 13	15,000.000	94.525	14,178.75	90.021	13,503.15	-675.60	ST
Total		**$795,000.000**		**$860,594.32**		**$864,988.30**	**$4,393.98**	

Total accrued interest: $10,337.42

Total estimated annual income: $49,148

Government securities

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

Holding	Trade date	Quantity	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
U S TREASURY NOTE RATE 0.6250% MATURES 07/15/16 ACCRUED INTEREST $114.80 CUSIP 912828VL1 EAI: $250 Current yield: 0.62%	Jul 31, 13	40,000.000	100.019	40,007.81	100.125	40,050.00	42.19	ST

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**47,933.38**	**4.70%**	**47,933.38**		
Cash alternatives	**Money market instruments**	**55,998.88**	**5.49%**	**55,990.53**		**8.35**
Fixed income	Corporate bonds and notes	864,988.30		860,594.32	49,148.00	4,393.98
	Government securities	40,050.00		40,007.81	250.00	42.19
	Total accrued interest	10,452.22				
	Total fixed income	**915,490.52**	**89.81%**	**900,602.13**	**49,398.00**	**4,436.17**
Total		**$1,019,422.78**	**100.00%**	**$1,004,526.04**	**$49,398.00**	**$4,444.52**

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ X

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II | Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions. PATHWAYS FOUNDATION	Employer identification number (EIN) or 45-6643839
	Number, street, and room or suite no If a P.O. box, see instructions. 26055 NORTHPOINTE	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. FARMINGTON HILLS, MI 48331	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ TODD R. WATSON 26055 NORTHPOINTE - FARMINGTON HILLS, MI 48331
  Telephone No. ▶ 248-476-1949 Fax No ▶
- If the organization does not have an office or place of business in the United States, check this box ▶
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______. If this is for the whole group, check this box ▶ . If it is for part of the group, check this box ▶ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2014

5 For calendar year 2013 , or other tax year beginning ______, and ending ______

6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS REQUIRED TO GATHER INFORMATION TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	8a	$	102,460.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$	102,460.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	8c	$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Jennifer B. Hall Title ▶ C.P.A. Date ▶ 8/5/14

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