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

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

Name of foundation: Ellice and Rosa McDonald Foundation, Inc.
Number and street (or P O box number if mail is not delivered to street address): 3801 Kennett Pike
Room/suite: 101
City or town, state or province country, and ZIP or foreign postal code: Wilmington DE 19807

A Employer identification number: 51-0348090
B Telephone number (see the instructions): (302) 254-5166
C If exemption application is pending, check here ► ☐
D 1 Foreign organizations, check here ► ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ► ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ► ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► ☐

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

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

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 2,147,321.

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

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

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1	Contributions, gifts grants, etc received (att sch)	100,000.			
	2	Ck ► ☐ if the foundn is not req to att Sch B				
	3	Interest on savings and temporary cash investments	33,792.	20,145.		
	4	Dividends and interest from securities	36,338.	35,629.		
	5 a	Gross rents				
	b	Net rental income or (loss)				
	6 a	Net gain/(loss) from sale of assets not on line 10	-30,429.	L-6a Stmt		
	b	Gross sales price for all assets on line 6a 549,500.				
	7	Capital gain net income (from Part IV line 2)		0.		
	8	Net short-term capital gain			1,052.	
	9	Income modifications				
	10 a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit/(loss) (att sch)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	139,701.	55,774.	1,052.	
OPERATING AND ADMINISTRATIVE EXPENSES	13	Compensation of officers, directors trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16 a	Legal fees (attach schedule)				
	b	Accounting fees (attach sch)	6,910.	3,455.		
	c	Other prof fees (attach sch)	6,605.	5,320.		
	17	Interest				
	18	Taxes (attach schedule)(see instrs) See Line 18 Stmt	755.	25.		
	19	Depreciation (attach sch) and depletion				
	20	Occupancy	10,005.	8,059.		
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) See Line 23 Stmt	2,844.	2,418.		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	27,119.	19,277.		
	25	Contributions, gifts, grants paid	120,000.			120,000.
	26	**Total expenses and disbursements.** Add lines 24 and 25	147,119.	19,277.		120,000.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-7,418.			
	b	**Net investment income** (if negative enter -0-)		36,497.		
	c	**Adjusted net income** (if negative enter -0-)			1,052.	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing	20,203.	37,958.	37,958.
	2	Savings and temporary cash investments	340,496.	326,212.	326,212.
	3	Accounts receivable ►			
		Less allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges		2,799.	2,799.
	10a	Investments – U S and state government obligations (attach schedule)	252,446.	102,780.	107,200.
	b	Investments – corporate stock (attach schedule)	808,524.	1,027,143.	1,304,808.
	c	Investments – corporate bonds (attach schedule)	413,348.	328,507.	368,344.
	11	Investments – land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach schedule) ►			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule)			
	14	Land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►)			
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	1,835,017.	1,825,399.	2,147,321.
LIABILITIES	17	Accounts payable and accrued expenses	2,198.	0.	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	**Total liabilities** (add lines 17 through 22)	2,198.	0.	
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here ► ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► ☒ and complete lines 27 through 31			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	1,832,819.	1,825,399.	
	30	**Total net assets or fund balances** (see instructions)	1,832,819.	1,825,399.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,835,017.	1,825,399.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,832,819.
2	Enter amount from Part I, line 27a	2	-7,418.
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	1,825,401.
5	Decreases not included in line 2 (itemize) ► Rounding	5	2.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,825,399.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month day, year)	(d) Date sold (month day, year)
1a	See Schedule A attached Morgan Stanley	P	12/20/12	06/20/13
b	Bristol Myers Squibb	P	06/27/11	06/03/13
c	See Schedule B attached Morgan Stanley	P	Various	Various
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	101,767.		100,715.	1,052.
b	24,279.		14,501.	9,778.
c	423,453.		464,713.	-41,260.
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a				1,052.
b				9,778.
c				-41,260.
d				
e				

2	Capital gain net income or (net capital loss) — If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7	2	-30,430.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	1,052.

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 (column (b) divided by column (c))
2012	120,000.	1,926,334.	0.062294
2011	118,584.	1,852,535.	0.064012
2010	119,315.	1,806,898.	0.066033
2009	98,860.	1,609,573.	0.061420
2008	123,641.	1,703,281.	0.072590

2	**Total** of line 1, column (d)	2	0.326349
3	Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.065270
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	2,001,535.
5	Multiply line 4 by line 3	5	130,640.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	365.
7	Add lines 5 and 6	7	131,005.
8	Enter qualifying distributions from Part XII, line 4	8	120,000.

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)

1 a	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 instrs)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b			**1**	730.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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**	730.
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**	730.
6	Credits/Payments				
a	2013 estimated tax pmts and 2012 overpayment credited to 2013	**6 a**	3,532.		
b	Exempt foreign organizations — tax withheld at source	**6 b**			
c	Tax paid with application for extension of time to file (Form 8868)	**6 c**	2,000.		
d	Backup withholding erroneously withheld	**6 d**			
7	Total credits and payments Add lines 6a through 6d			**7**	5,532.
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			**8**	3.
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**	4,799.
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ► 4,799. **Refunded** ►			**11**	

Part VII-A Statements Regarding Activities

			Yes	No
1 a	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?	**1 a**		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	**1 b**		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?	**1 c**		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
4 a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	**4 a**		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	**4 b**		
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, column (c), and Part XV*	**7**	X	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► DE - Delaware			
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*	**8 b**	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

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 ► John T. Fay, CPA Telephone no ► (302) 254-5166

Located at ► 3801 Kennett Pike, Suite 101 WIlmington DE ZIP + 4 ► 19807

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

			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

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

			Yes	No
1 a	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)?	1 b		
	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?	1 c		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 ► 20__ , 20__ , 20__ , 20__			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement — see instructions)	2 b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__			
3 a	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)*	3 b		X
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a		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?	4 b		X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

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

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5 b**

Organizations relying on a current notice regarding disaster assistance check here ► ☐

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

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

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

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

If 'Yes' to 6b, file Form 8870

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

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? **7 b** No: X

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation **(If not paid, enter -0-)**	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Gregory Inskip, Esq. 1313 North Market St WIlmington DE 19801	President 0.00	0.	0.	0.
H. Murray Sawyer, Esq. 1013 Centre Road, Suite 404 Wilmington DE 19805	Vice President 0.00	0.	0.	0.
John T. Fay, CPA 2 Shortledge Court Landenberg PA 19350	Sec. Treas. 0.00	0.	0.	0.

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

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

Total number of other employees paid over $50,000 ► None

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
none		

Total number of others receiving over $50,000 for professional services ► None

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments (see instructions)

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes				
a	Average monthly fair market value of securities			1 a	1,726,368.
b	Average of monthly cash balances			1 b	305,647.
c	Fair market value of all other assets (see instructions)			1 c	0.
d	**Total** (add lines 1a, b, and c)			1 d	2,032,015.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e			
2	Acquisition indebtedness applicable to line 1 assets			2	
3	Subtract line 2 from line 1d			3	2,032,015.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)			4	30,480.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	2,001,535.
6	**Minimum investment return.** Enter 5% of line 5			6	100,077.

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	100,077.
2 a	Tax on investment income for 2013 from Part VI, line 5	2 a	730.		
b	Income tax for 2013 (This does not include the tax from Part VI)	2 b			
c	Add lines 2a and 2b			2 c	730.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	99,347.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	99,347.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	99,347.

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	1 a	120,000.
b	Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	120,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	120,000.

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					99,347.
2 Undistributed income, if any, as of the end of 2013					
a Enter amount for 2012 only				0.	
b Total for prior years 20 11 , 20 10 , 20 09			0.		
3 Excess distributions carryover, if any, to 2013					
a From 2008	41,195.				
b From 2009	20,662.				
c From 2010	29,665.				
d From 2011	20,000.				
e From 2012	26,224.				
f **Total** of lines 3a through e		137,746.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 120,000.					
a Applied to 2012, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required — see instructions)			0.		
c Treated as distributions out of corpus (Election required — see instructions)		20,653.			
d Applied to 2013 distributable amount					99,347.
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		158,399.			
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					
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 instructions				0.	
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		100,000.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)		0.			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a		58,399.			
10 Analysis of line 9					
a Excess from 2009	0.				
b Excess from 2010	0.				
c Excess from 2011	11,522.				
d Excess from 2012	26,224.				
e Excess from 2013	20,653.				

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))

None

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

None

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

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

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

John T. Fay, CPA c/o Ellice & Rosa McDonald Foundation
3801 Kennett Pike Suite C-101
Wilmington DE 19807 Jfay289491@aol.com

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

Letter request and phamplet if available

c Any submission deadlines

none

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

Mid-Atlantic area; 501(c)(3) entities

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				
See Attached List AttACHED		501c3	Provide financial assistance to charitable orgs	120,000.
Total ► 3a				120,000.
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		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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					33,792.
4 Dividends and interest from securities					36,338.
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					-30,429.
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)					39,701.

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . 13 39,701.

(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) (See instructions)

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	**1 a (1)**		X
	(2) Other assets	**1 a (2)**		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	**1 b (1)**		X
	(2) Purchases of assets from a noncharitable exempt organization	**1 b (2)**		X
	(3) Rental of facilities, equipment, or other assets	**1 b (3)**		X
	(4) Reimbursement arrangements	**1 b (4)**		X
	(5) Loans or loan guarantees	**1 b (5)**		X
	(6) Performance of services or membership or fundraising solicitations	**1 b (6)**		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	**1 c**		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

2 a 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
Glencoe Foundation, Inc.	501c3 private foundation	2 common directors; sharing of office

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: August 15, 2014

Title: President

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

Paid Preparer Use Only

Print/Type preparer's name: JOHN T. FAY

Preparer's signature: John T. Fay

Date: 8/14/14

Check ☐ if self-employed

PTIN: P00238846

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no 3102748786

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, 990-PF) and its instructions is at *www.irs.gov/form990.***

OMB No 1545-0047

2013

Name of the organization	Employer identification number
Ellice and Rosa McDonald Foundation, Inc.	51-0348090

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)

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2013) Page 1 of 1 of Part 1

Name of organization	Employer identification number
Ellice and Rosa McDonald Foundation, Inc.	51-0348090

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

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	H. Lawrence & Wendy Culp 25341 Learman Road Chestertown MD 21620	$ 100,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

Form 990-PF
Part I, Line 6a

Net Gain or Loss From Sale of Assets

2013

Name: Ellice and Rosa McDonald Foundation, Inc.

Employer Identification Number: 51-0348090

Asset Information:

Description of Property: Securities
Date Acquired: Various How Acquired: Purchased
Date Sold: Various Name of Buyer:
Sales Price: 549,500. Cost or other basis (do not reduce by depreciation): 579,929.
Sales Expense: Valuation Method:
Total Gain (Loss): -30,429. Accumulation Depreciation:

Description of Property:
Date Acquired: How Acquired:
Date Sold: Name of Buyer:
Sales Price: Cost or other basis (do not reduce by depreciation):
Sales Expense: Valuation Method:
Total Gain (Loss): Accumulation Depreciation:

Description of Property:
Date Acquired: How Acquired:
Date Sold: Name of Buyer:
Sales Price: Cost or other basis (do not reduce by depreciation):
Sales Expense: Valuation Method:
Total Gain (Loss): Accumulation Depreciation:

Description of Property:
Date Acquired: How Acquired:
Date Sold: Name of Buyer:
Sales Price: Cost or other basis (do not reduce by depreciation):
Sales Expense: Valuation Method:
Total Gain (Loss): Accumulation Depreciation:

Description of Property:
Date Acquired: How Acquired:
Date Sold: Name of Buyer:
Sales Price: Cost or other basis (do not reduce by depreciation):
Sales Expense: Valuation Method:
Total Gain (Loss): Accumulation Depreciation:

Description of Property:
Date Acquired: How Acquired:
Date Sold: Name of Buyer:
Sales Price: Cost or other basis (do not reduce by depreciation):
Sales Expense: Valuation Method:
Total Gain (Loss): Accumulation Depreciation:

Description of Property:
Date Acquired: How Acquired:
Date Sold: Name of Buyer:
Sales Price: Cost or other basis (do not reduce by depreciation):
Sales Expense: Valuation Method:
Total Gain (Loss): Accumulation Depreciation:

Description of Property:
Date Acquired: How Acquired:
Date Sold: Name of Buyer:
Sales Price: Cost or other basis (do not reduce by depreciation):
Sales Expense: Valuation Method:
Total Gain (Loss): Accumulation Depreciation:

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Franchise Tax	25.	25.		
Income	730.			
Total	755.	25.		

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Insurance	2,177.	1,753.		
Foreign Tax	665.	665.		
Other	2.			
Total	2,844.	2,418.		

Explanation Statement

Form/Line Form 990-PF, Page 9, Part XIII Line 4c

Explanation of Undistributed Income - Election to Treat Distribution as Out of Corpus

As there was no undistributed income for years prior to 2013, the excess distribution made in 2013 was out of corpus. The foundation directors hereby make the election under Regulation 53.4942(a)-3(d)(2)to reduce corpus.

Form 990-PF, Page 9, Part XIII Line 7

Under Regulation 53-4942(a)-3(c)(2) the foundation directors are making the election to apply excess distributions from prior years to satisfy the distribution requirements of Section 170 (b)(1)(F).

Supporting Statement of:

Form 990-PF, p2/Line 29(b)

Description	Amount
Cash	364,170.
stocks and bonds	1,458,430.
Prepaid Taxes	2,799.
Total	1,825,399.

Supporting Statement of:

Form 990-PF, p9/Line 2a Column (c)

Description	Amount
Corrected UnDistributable amount for 2012	0.
Total	0.

Supporting Statement of:

Form 990-PF, p9/Line 3e

Description	Amount
2012 Actual Distributions	120,000.
Less: Required Distributable amount	-93,776.
Total	26,224.

Supporting Statement of:

Form 990-PF,p12/Line 3 Column (e)

Description	Amount
oid	584.
taxable interest	19,561.
non taxable interest	13,647.
Total	33,792.

Supporting Statement of:

Form 990-PF,p12/Line 4 Column (e)

Description	Amount
Ordinary	35,554.
Capital Gain Distributions	75.
Nontaxable distributions	709.
Total	36,338.

Ellice & Rosa McDonald Foundation, Inc.
2013 Charitable Grants of Cash

	$ Amount
Amistad Mission 55 Scott St. Buford, GA 30518	5,000
Delaware Museum of Natural History 4840 Kennett Pike, Wilmington, De 19807	25,000
Delaware Wild Lands 315 Main Street, Odessa De. 19730	5,000
East Side Community Learning Center 3000 N. Claymont St. Wilmington, De. 19802	20,000
Faithful Friends 12 Germay Dr. Wilmington, De 19804	10,000
Food Bank Newark Branch 14 Garfield Way, Newark De 19713	20,000
Nativity Preparatory School of Wilmington 1515 Linden St., Wilmington, De. 19805	5,000
Rotary Club Foundation of Wilmington 1007 N. Orange, Wilmington De 19801	15,000
Sunday Breakfast Mission 110 N. Poplar St, Wilmington De. 19801	10,000
University of North Carolina Library 103 South Bldg, Chapel Hill, NC 27599	5,000
Total	120,000

Morgan Stanley

Corporate Tax Statement
Tax Year 2013

ELLICE & ROSA MCDONALD FOUNDATION
BUILDING C STE 300
3801 KENNETT PIKE
WILMINGTON DE 19807-2325

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004
Identification Number 26-4310632

Taxpayer ID Number 51-0348090
Account Number 532 026768 511

Customer Service: 866-324-6088

This information is NOT being furnished to the Internal Revenue Service. It is provided to you for informational purposes only.

1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS

OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Short Term - Covered Securities

(Consider Box 6b (Basis Reported to IRS) as being checked for this section These transactions should be reported on Form 8949 Part I with box A checked)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
ABBOTT LABORATORIES	CUSIP: 002824100		Symbol (Box 1d): ABT					
	400 000	12/21/12	06/20/13	$14,219 21	$12,650 25	$0 00	$1,568 96	$0 00
AEGON NV ADR	CUSIP: 007924103		Symbol (Box 1d): AEG					
	0 020	05/30/13	09/13/13	$0 15	$0 14	$0 00	$0 01	$0 00
HEALTH CARE REIT INC	CUSIP: 42217K106		Symbol (Box 1d): HCN					
	500 000	10/15/12	06/20/13	$31,724 35	$29,304 90	$0 00	$2,419 45	$0 00
	500.000	12/20/12	06/20/13	$31,724.34	$29,678.50	$0.00	$2,045.84	$0.00
Security Subtotal	1,000.000			$63,448.69	$58,983.40	$0.00	$4,465.29	$0.00
RIO TINTO PLC SPON ADR	CUSIP: 767204100		Symbol (Box 1d): RIO					
	500 000	02/01/13	10/07/13	$24,099.38	$29,081 45	$0 00	($4,982 07)	$0 00
Total Short Term Covered Securities				**$101,767.43**	**$100,715.24**	**$0.00**	**$1,052.19**	**$0.00**

IMPORTANT TAX INFORMATION -- PLEASE RETAIN FOR YOUR RECORDS

Morgan Stanley

Corporate Tax Statement
Tax Year 2013

ELLICE & ROSA MCDONALD FOUNDATION
BUILDING C STE 300
3801 KENNETT PIKE
WILMINGTON DE 19807-2325

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004
Identification Number 26-4310632

Taxpayer ID Number 51-0348090
Account Number 532 026768 511

Customer Service: 866-324-6088

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Long Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section These transactions should be reported on Form 8949 Part II with box E checked)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
AT&T INC	CUSIP: 00206R102	Symbol (Box 1d): T						
	1,200 000	08/24/10	03/15/13	$43,568 12	$32,273 02	$0 00	$11,295 10	$0 00
DELAWARE ST HE BE 5000 *35OC01	CUSIP: 246388QG0	Symbol (Box 1d):						
	50,000 000	11/17/10	02/01/13	$56,500 50	$50,310 33	$0 00	$6,190 17	$0 00
EXELON CORP	CUSIP: 30161N101	Symbol (Box 1d). EXC						
	1,000 000	12/08/09	02/05/13	$30,623.06	$50,787 11	$0 00	($20,164 05)	$0 00
	1,000.000	09/13/10	02/05/13	$30,623.06	$43,647.02	$0.00	($13,023.96)	$0.00
Security Subtotal	2,000.000			$61,246.12	$94,434.13	$0.00	($33,188.01)	$0 00
FPC CAPITAL I 7100 *39MY13	CUSIP 302552203	Symbol (Box 1d): FPC A						
	1,949 000	12/13/01	02/01/13	$48,725 00	$47,847 95	$0 00	$877 05	$0 00
GENL ELEC CAP 6625 *32JN28	CUSIP: 369622527	Symbol (Box 1d): GEA						
	695 000	11/19/07	01/02/13	$17,375 00	$17,231 94	$0 00	$143 06	$0 00
JP CHASE CAP XI 5875 *33JN15	CUSIP: 46626V207	Symbol (Box 1d):						
	1,000 000	02/09/07	05/08/13	$25,000 00	$24,234 42	$0 00	$765.58	$0 00
	1,000.000	04/25/07	05/08/13	$25,000.00	$24,380.38	$0.00	$619.62	$0 00
Security Subtotal	2,000.000			$50,000 00	$48,614.80	$0.00	$1,385 20	$0 00
PR COMWLTH GO BE 5250 *26JL01	CUSIP· 74514LKA4	Symbol (Box 1d):						
	100,000 000	11/17/09	11/22/13	$69,643 50	$99,001 25	$0 00	($29,357 75)	$0 00

CONTINUED ON NEXT PAGE

IMPORTANT TAX INFORMATION -- PLEASE RETAIN FOR YOUR RECORDS

Corporate Tax Statement
Tax Year 2013

ELLICE & ROSA MCDONALD FOUNDATION
BUILDING C STE 300
3801 KENNETT PIKE
WILMINGTON DE 19807-2325

Morgan Stanley Smith Barney Holdings LLC
1 New York Plaza
8th Floor
New York, NY 10004
Identification Number 26-4310632

Taxpayer ID Number 51-0348090
Account Number 532 026768 511

Customer Service: 866-324-6088

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1099-B PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS (continued) OMB NO. 1545-0715

Gross Proceeds less commissions and option premiums on stocks, bonds, etc.

Long Term - Noncovered Securities # (Consider Box 6a (Noncovered Security) as being checked for this section These transactions should be reported on Form 8949 Part II with box E checked) (Continued)

DESCRIPTION (Box 8)	QUANTITY (Box 1e)	DATE ACQUIRED (Box 1b)	DATE OF SALE (Box 1a)	SALES PRICE (Box 2a)	ADJUSTED COST OR OTHER BASIS (Box 3)	WASH SALE LOSS DISALLOWED (Box 5)	GAIN/(LOSS) AMOUNT	FEDERAL INCOME TAX WITHHELD (Box 4)
PRUDENTIAL PLC 6 75 SERIES	CUSIP: G7293H114	Symbol (Box 1d): PUK						
	1,627 000	07/28/04	04/09/13	$41,432 26	$40,675 00	$0 00	$757 26	$0 00
	1,373.000	07/28/04	04/10/13	$34,963 02	$34,325.00	$0 00	$638 02	$0 00
Security Subtotal	3,000.000			$76,395 28	$75,000 00	$0.00	$1,395 28	$0 00
Total Long Term Noncovered Securities				$423,453.52	$464,713.42	$0.00	($41,259.90)	$0.00
Total Long Term Covered and Noncovered Securities				$447,732.44	$479,214.79	$0.00	($31,482.35)	$0.00
Total Short and Long Term, Covered and Noncovered Securities				$549,499.87	$579,930.03	$0.00	($30,430.16)	$0.00

Form 1099-B Total Reportable Amounts

Total Sales Price (Box 2a)	$549,499.87			
Total Cost or Other Basis (Box 3)		$115,216.61		
Total Wash Sale Loss Disallowed (Box 5)			$0.00	
Total Fed Tax Withheld (Box 4)				$0.00

\# Noncovered securities are not subject to the IRS cost basis reporting regulations, therefore their date of acquisition, cost basis, short or long term designation and any disallowed loss resulting from a wash sale will not be reported to the IRS

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