



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



**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](http://www.irs.gov/form990pf).**2013**

Open to Public Inspection

For calendar year 2013 or tax year beginning

, and ending

Name of foundation <b>THE CHALLENGE FOUNDATION C/O HABIF, AROGETI &amp; WYNNE, LLP</b>		A Employer identification number <b>58-1817816</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>FIVE CONCOURSE PARKWAY</b>	Room/suite <b>1000</b>	B Telephone number <b>404-892-9651</b>
City or town, state or province, country, and ZIP or foreign postal code <b>ATLANTA, GA 30328</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ <b>37,271,882.</b>	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	<b>8,230,086.</b>		<b>N/A</b>	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	<b>955.</b>	<b>955.</b>		<b>STATEMENT 1</b>
	4 Dividends and interest from securities	<b>217,959.</b>	<b>217,959.</b>		<b>STATEMENT 2</b>
	5a Gross rents	<b>1,078,636.</b>	<b>1,078,636.</b>		<b>STATEMENT 3</b>
	b Net rental income or (loss) <b>4,397.</b>				<b>STATEMENT 4</b>
	6a Net gain or (loss) from sale of assets not on line 10	<b>-7,071,958.</b>			<b>STATEMENT 5</b>
	b Gross sales price for all assets on line 6a <b>5,507,030.</b>				
	7 Capital gain net income (from Part IV, line 2)		<b>0.</b>		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances <b>66,300.</b>				<b>STATEMENT 6</b>
b Less Cost of goods sold					
c Gross profit or (loss)	<b>66,300.</b>				
11 Other income	<b>59,632.</b>	<b>59,632.</b>		<b>STATEMENT 7</b>	
12 Total. Add lines 1 through 11	<b>2,581,610.</b>	<b>1,357,182.</b>			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	<b>215,000.</b>	<b>0.</b>		<b>0.</b>
	14 Other employee salaries and wages	<b>779,642.</b>	<b>0.</b>		<b>0.</b>
	15 Pension plans, employee benefits	<b>27,138.</b>	<b>0.</b>		<b>0.</b>
	16a Legal fees <b>STMT 8</b>	<b>34,844.</b>	<b>34,844.</b>		<b>0.</b>
	b Accounting fees <b>STMT 9</b>	<b>70,116.</b>	<b>30,589.</b>		<b>0.</b>
	c Other professional fees <b>STMT 10</b>	<b>208,830.</b>	<b>43,028.</b>		<b>0.</b>
	17 Interest <b>STMT 11</b>	<b>237,148.</b>	<b>237,148.</b>		<b>0.</b>
	18 Taxes <b>STMT 11</b>	<b>108,954.</b>	<b>65,352.</b>		<b>0.</b>
	19 Depreciation and depletion	<b>677,460.</b>	<b>676,509.</b>		<b>0.</b>
	20 Occupancy	<b>17,506.</b>	<b>0.</b>		<b>0.</b>
	21 Travel, conferences, and meetings	<b>158,245.</b>	<b>0.</b>		<b>0.</b>
	22 Printing and publications				
	23 Other expenses <b>STMT 12</b>	<b>259,032.</b>	<b>90,806.</b>		<b>0.</b>
	24 Total operating and administrative expenses. Add lines 13 through 23	<b>2,793,915.</b>	<b>1,178,276.</b>		<b>0.</b>
	25 Contributions, gifts, grants paid	<b>8,242,782.</b>			<b>8,242,782.</b>
26 Total expenses and disbursements. Add lines 24 and 25	<b>11,036,697.</b>	<b>1,178,276.</b>		<b>8,242,782.</b>	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<b>-8,455,087.</b>				
b Net investment income (if negative, enter -0-)		<b>178,906.</b>			
c Adjusted net income (if negative, enter -0-)			<b>N/A</b>		

**THE CHALLENGE FOUNDATION**

Form 990-PF (2013)

**C/O HABIF, AROGETI & WYNNE, LLP**

**58-1817816**

Page **2**

<b>Part II Balance Sheets</b> <small>Attached schedules and amounts in the description column should be for end-of-year amounts only</small>		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing	782,103.	501,321.	501,321.
	2 Savings and temporary cash investments	4,031,101.	4,322,725.	4,322,725.
	3 Accounts receivable ▶ 327,877.			
	Less: allowance for doubtful accounts ▶	104,663.	327,877.	327,877.
	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 ▶ 1,312,107.			
	Less: allowance for doubtful accounts ▶ 0.	748,038.	1,312,107.	1,312,107.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	2,823.	22,801.	22,801.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 13	1,508,062.	2,438,452.	2,438,452.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 14	9,113,405.	8,429,468.	8,429,468.	
14 Land, buildings, and equipment: basis ▶ 21,535,359.				
Less accumulated depreciation ▶ 1,766,344.	31,078,171.	19,769,015.	19,769,015.	
15 Other assets (describe ▶ STATEMENT 15)	44,445.	148,116.	148,116.	
16 <b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item 1)	47,412,811.	37,271,882.	37,271,882.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses	27,436.	261,026.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable	4,837,751.		
	22 Other liabilities (describe ▶ STATEMENT 16)	1,487,180.	462,095.	
23 <b>Total liabilities</b> (add lines 17 through 22)	6,352,367.	723,121.		
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here</b> ▶ <input type="checkbox"/>			
	<b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	<b>Foundations that do not follow SFAS 117, check here</b> ▶ <input checked="" type="checkbox"/>			
	<b>and complete lines 27 through 31.</b>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	41,060,444.	36,548,761.	
30 <b>Total net assets or fund balances</b>	41,060,444.	36,548,761.		
31 <b>Total liabilities and net assets/fund balances</b>	47,412,811.	37,271,882.		

**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	41,060,444.
2 Enter amount from Part I, line 27a	2	-8,455,087.
3 Other increases not included in line 2 (itemize) ▶ <b>UNREALIZED GAIN/LOSS</b>	3	3,943,404.
4 Add lines 1, 2, and 3	4	36,548,761.
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	36,548,761.

## THE CHALLENGE FOUNDATION

Form 990-PF (2013)

C/O HABIF, AROGETI &amp; WYNNE, LLP

58-1817816

Page 3

**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 <b>WELLS FARGO</b>	P	VARIOUS	12/31/13
b <b>WELLS FARGO</b>	P	VARIOUS	12/31/13
c <b>PARTNERSHIP K-1S</b>	P	VARIOUS	12/31/13
d <b>PARTNERSHIP K-1S</b>	P	VARIOUS	12/31/13
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 623,917.		593,861.	30,056.
b 45,363.			45,363.
c		19.	-19.
d		1,071,956.	-1,071,956.
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			30,056.
b			45,363.
c			-19.
d			-1,071,956.
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	-996,556.
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	1,761,320.	16,457,265.	.107024
2011	3,811,722.	18,110,417.	.210471
2010	2,102,264.	17,120,242.	.122794
2009	2,690,924.	23,098,300.	.116499
2008	3,047,610.	32,676,645.	.093266

2 Total of line 1, column (d)	2	.650054
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	.130011
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	14,829,029.
5 Multiply line 4 by line 3	5	1,927,937.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,789.
7 Add lines 5 and 6	7	1,929,726.
8 Enter qualifying distributions from Part XII, line 4	8	8,242,782.

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)**

4a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	1,789.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	1,789.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	1,789.
6 Credits/Payments:			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a	31,440.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	31,440.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	18.	
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	29,633.	
11 Enter the amount of line 10 to be: Credited to 2014 estimated tax <input checked="" type="checkbox"/> 29,633. Refunded <input type="checkbox"/>	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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> GA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

N/A

STMT 17

Form 990-PF (2013)

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)			X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		X	
Website address ► <b>WWW.CHALLENGEFOUNDATION.ORG</b>				
14	The books are in care of ► <b>HABIF, AROGETI &amp; WYNNE, LLP</b>	Telephone no. ►	<b>404-892-9651</b>	
	Located at ► <b>FIVE CONCOURSE PARKWAY, SUITE 1000, ATLANTA, GA</b>	ZIP+4 ►	<b>30328</b>	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	► <input type="checkbox"/>		
	and enter the amount of tax-exempt interest received or accrued during the year	►	15	N/A
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►			X

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

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

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

Form 990-PF (2013)

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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

▶ ☐

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

N/A

☐ Yes ☐ No

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

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

☐ Yes ☒ No

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

6b

If "Yes" to 6b, file Form 8870

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

☐ Yes ☒ No

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

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JOHN BRYAN	TRUSTEE			
P.O. BOX 1929				
LAKE OSWEGO, OR 97035	0.50	0.	0.	0.
MARTHA BRYAN	TRUSTEE			
P.O. BOX 1929				
LAKE OSWEGO, OR 97035	0.50	0.	0.	0.
WILLIAM J. STEINBROOK, JR.	EXEC DIRECTOR			
PMB 302, 1900 PRESTON RD, #267				
PLANO, TX 75093	40.00	215,000.	0.	0.
SEE ATTACHED - CHALLENGE FOUNDATION P				

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
JOAN LANGE - C/O FIVE CONCOURSE	PROGRAM OFFICER			
PARKWAY STE 1000, ATLANTA, GA 30328	40.00	175,000.	0.	0.
CHARLES BYERS - C/O FIVE CONCOURSE	CONSULTANT			
PARKWAY STE 1000, ATLANTA, GA 30328	40.00	116,667.	0.	0.

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

▶ 0

Form 990-PF (2013)

## THE CHALLENGE FOUNDATION

Form 990-PF (2013)

C/O HABIF, AROGETI &amp; WYNNE, LLP

58-1817816

Page 7

**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
JASON M. KLONOSKI - C/O FIVE CONCOURSE PARKWAY STE 1000, ATLANTA, GA 30328	CONSULTANT	75,000.
TRACY L BANKER - C/O FIVE CONCOURSE PARKWAY STE 1000, ATLANTA, GA 30328	CONSULTANT	75,000.

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.

Form 990-PF (2013)



## THE CHALLENGE FOUNDATION

Form 990-PF (2013)

C/O HABIF, AROGETI &amp; WYNNE, LLP

58-1817816

Page 8

**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	4,219,501.
b Average of monthly cash balances	1b	2,374,045.
c Fair market value of all other assets	1c	8,461,306.
d Total (add lines 1a, b, and c)	1d	15,054,852.
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	15,054,852.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	225,823.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	14,829,029.
6 Minimum investment return. Enter 5% of line 5	6	741,451.

**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	741,451.
2a Tax on investment income for 2013 from Part VI, line 5	2a	1,789.
b Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	1,789.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	739,662.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	739,662.
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	739,662.

**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	8,242,782.
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	8,242,782.
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	1,789.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	8,240,993.

**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.

Form 990-PF (2013)

**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				739,662.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2013:				
a From 2008	1,434,701.			
b From 2009	1,543,561.			
c From 2010	1,290,824.			
d From 2011	2,931,887.			
e From 2012	969,885.			
f Total of lines 3a through e	8,170,858.			
4 Qualifying distributions for 2013 from Part XII, line 4: ► \$	8,242,782.			
a Applied to 2012, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2013 distributable amount				739,662.
e Remaining amount distributed out of corpus	7,503,120.			
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	15,673,978.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	1,434,701.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	14,239,277.			
10 Analysis of line 9:				
a Excess from 2009	1,543,561.			
b Excess from 2010	1,290,824.			
c Excess from 2011	2,931,887.			
d Excess from 2012	969,885.			
e Excess from 2013	7,503,120.			

N/A

foundation, and the ruling is effective for 2013, enter the date of the ruling

☐ 4942(j)(3) or ☐ 4942(j)(5)

**b 85% of line 2a**

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

a "Assets" alternative test - enter:  
(1) Value of all assets

**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**

## 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).)

JOHN BRYAN

**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:

SEE STATEMENT 18

**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
<b>a Paid during the year</b>				
SEE ATTACHED SCHEDULE	NONE	501(C)(3)	SEE ATTACHED	8,242,782.
<b>Total</b>			<b>3a</b>	8,242,782.
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>			<b>3b</b>	0.



## Part XVII

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

- |   |              |     |
|---|--------------|-----|
| <p><b>1</b> 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?</p> <p><b>a</b> Transfers from the reporting foundation to a noncharitable exempt organization of</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p><b>b</b> Other transactions</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p><b>c</b> Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p><b>d</b> 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</p> |              | Yes |
|   | <b>1a(1)</b> |     |
|   | <b>1a(2)</b> |     |
|   | <b>1b(1)</b> |     |
|   | <b>1b(2)</b> |     |
|   | <b>1b(3)</b> |     |
|   | <b>1b(4)</b> |     |
|   | <b>1b(5)</b> |     |
|   | <b>1b(6)</b> |     |
|   | <b>1c</b>    | X   |

[illegible]

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

- b** If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
CHALLENGE FOUNDATION PROPERTIES, INC.	TITLE HOLDING CO	SEE STATEMENT 20
CHALLENGE FOUNDATION PROPERTIES OF OREGON, INC.	TITLE HOLDING CO	

**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 John D. Boyer

Date \_\_\_\_\_

**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

ROBERT N.  
GREENBERGER, CPA

Preparer's signature \_\_\_\_\_

's signature  
RNG-CPA

Date

11/17/14

Check ☐ self-employed

PTIN

P00311175

Firm's name ► HABIF, AROGETI, & WYNNE, L.L.P.

Firm's EIN ▶ 57-1157523

Firm's address ► FIVE CONCOURSE PARKWAY, SUITE 1000  
ATLANTA, GA 30328

Phone no 404-892-9651

Form **990-PF** (2013)

**Schedule B**(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and  
its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2013**

Name of the organization

THE CHALLENGE FOUNDATION  
C/O HABIF, AROGETI & WYNNE, LLP

Employer identification number

58-1817816

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐

501(c)( ) (enter number) organization

☐4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐

527 political organization

Form 990-PF

☒

501(c)(3) exempt private foundation

☐

4947(a)(1) nonexempt charitable trust treated as a private foundation

☐

501(c)(3) taxable private foundation

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

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

**Special Rules**☐

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

☐For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.☐For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).**LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2013)**

Name of organization <b>THE CHALLENGE FOUNDATION</b> <b>C/O HABIF, AROGETI &amp; WYNNE, LLP</b>	Employer identification number <b>58-1817816</b>
---	---

**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	JOHN BRYAN P.O. BOX 1929 LAKE OSWEGO, OR 97035	\$ 8,230,086.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)





Name of organization

Employer identification number

THE CHALLENGE FOUNDATION

C/O HABIF, AROGETI &amp; WYNNE, LLP

58-1817816

**Part III**

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

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

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

## FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
BARCLAYS	17.	17.	
GOLDMAN SACHS - 06933-4	938.	938.	
TOTAL TO PART I, LINE 3	955.	955.	

## 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
INTEREST FROM CFP	44,620.	0.	44,620.	44,620.	
INTEREST/DIVIDENDS FROM INVESTMENT					
K-1'S	130,883.	0.	130,883.	130,883.	
WELLS FARGO	42,456.	0.	42,456.	42,456.	
TO PART I, LINE 4	217,959.	0.	217,959.	217,959.	

## FORM 990-PF RENTAL INCOME STATEMENT 3

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
RENT - CFP OF IN	1	264,000.
RENT - CFP OF OR	2	814,636.
TOTAL TO FORM 990-PF, PART I, LINE 5A		1,078,636.

FORM 990-PF

RENTAL EXPENSES

STATEMENT

4

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
INTEREST		237,148.	
BANK CHARGES		1,771.	
ACCOUNTING FEES		15,000.	
- SUBTOTAL -	1		253,919.
DEPRECIATION		676,509.	
PROPERTY TAXES		4,343.	
TRAVEL AND MEETINGS		2,633.	
OFFICE EXPENSE		1,162.	
UTILITIES		76.	
MANAGEMENT FEE		59,700.	
INSURANCE		17,845.	
ACCOUNTING FEES		15,589.	
PRINTING AND REPRODUCTION		7,542.	
BANK CHARGES		77.	
LEGAL FEES		34,844.	
- SUBTOTAL -	2		820,320.
TOTAL RENTAL EXPENSES			1,074,239.
NET RENTAL INCOME TO FORM 990-PF, PART I, LINE 5B			4,397.

FORM 990-PF                      GAIN OR (LOSS) FROM SALE OF ASSETS                      STATEMENT      5

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
WELLS FARGO	623,917.	593,861.	0.	0.	30,056.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
WELLS FARGO	45,363.	0.	0.	0.	45,363.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
PARTNERSHIP K-1S	0.	19.	0.	0.	-19.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	MANNER ACQUIRED (E) DEPREC.	DATE ACQUIRED (F) GAIN OR LOSS	DATE SOLD
PARTNERSHIP K-1S				PURCHASED	VARIOUS	12/31/13
	0.	1,071,956.	0.	0.	-1,071,956.	

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	MANNER ACQUIRED (E) DEPREC.	DATE ACQUIRED (F) GAIN OR LOSS	DATE SOLD
SALE OF PROPERTY				PURCHASED	VARIOUS	
	4,837,750.	4,968,973.	0.	767,648.	636,425.	

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	MANNER ACQUIRED (E) DEPREC.	DATE ACQUIRED (F) GAIN OR LOSS	DATE SOLD
SALE OF PROPERTY				PURCHASED	VARIOUS	
	0.	6,711,827.	0.	0.	-6,711,827.	

NET GAIN OR LOSS FROM SALE OF ASSETS -7,071,958.

CAPITAL GAINS DIVIDENDS FROM PART IV 0.

TOTAL TO FORM 990-PF, PART I, LINE 6A -7,071,958.

FORM 990-PF

INCOME AND COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 10

STATEMENT 6

## INCOME

1. GROSS RECEIPTS . . . . .	66,300	
2. RETURNS AND ALLOWANCES . . . . .		
3. LINE 1 LESS LINE 2 . . . . .		66,300
4. COST OF GOODS SOLD (LINE 15) . . . . .		
5. GROSS PROFIT (LINE 3 LESS LINE 4) . . . . .		66,300
6. OTHER INCOME . . . . .		
7. GROSS INCOME (ADD LINES 5 AND 6) . . . . .		66,300

## COST OF GOODS SOLD

8. INVENTORY AT BEGINNING OF YEAR . . . . .	
9. MERCHANDISE PURCHASED. . . . .	
10. COST OF LABOR. . . . .	
11. MATERIALS AND SUPPLIES . . . . .	
12. OTHER COSTS. . . . .	
13. ADD LINES 8 THROUGH 12 . . . . .	
14. INVENTORY AT END OF YEAR . . . . .	
15. COST OF GOODS SOLD (LINE 13 LESS LINE 14) . . . . .	

FORM 990-PF	OTHER INCOME	STATEMENT	7
-------------	--------------	-----------	---

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
INVESTMENT INCOME FROM INVESTMENT			
K-1'S	59,520.	59,520.	
OTHER INVESTMENT INCOME	112.	112.	
TOTAL TO FORM 990-PF, PART I, LINE 11	59,632.	59,632.	

FORM 990-PF	LEGAL FEES	STATEMENT	8
-------------	------------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	34,844.	34,844.		0.
TO FM 990-PF, PG 1, LN 16A	34,844.	34,844.		0.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	9
-------------	-----------------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	39,527.	0.		0.
ACCOUNTING FEES	15,000.	15,000.		0.
ACCOUNTING FEES	15,589.	15,589.		0.
TO FORM 990-PF, PG 1, LN 16B	70,116.	30,589.		0.



FORM 990-PF	OTHER PROFESSIONAL FEES		STATEMENT 10	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MGMT FEES	43,028.	43,028.		0.
CONSULTING	163,750.	0.		0.
PROFESSIONAL FEES	2,052.	0.		0.
TO FORM 990-PF, PG 1, LN 16C	208,830.	43,028.		0.

FORM 990-PF	TAXES		STATEMENT 11	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	30,890.	0.		0.
EXCISE TAXES	12,712.	0.		0.
FOREIGN TAX ON INVESTMENTS	61,009.	61,009.		0.
PROPERTY TAXES	4,343.	4,343.		0.
TO FORM 990-PF, PG 1, LN 18	108,954.	65,352.		0.

FORM 990-PF	OTHER EXPENSES		STATEMENT 12	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DUES & SUBSCRIPTIONS	1,168.	0.		0.
OFFICE EXPENSE	1,586.	0.		0.
TELEPHONE AND INTERNET	12,611.	0.		0.
MEALS & ENTERTAINMENT	21,630.	0.		0.
UTILITIES	1,049.	0.		0.
INSURANCE	15,341.	0.		0.
BANK CHARGES	197.	0.		0.
POSTAGE AND DELIVERY	490.	0.		0.
SOFTWARE AND TECHNOLOGY FEES	113,535.	0.		0.
MISCELLANEOUS	619.	0.		0.
BANK CHARGES	1,771.	1,771.		0.
TRAVEL AND MEETINGS	2,633.	2,633.		0.
OFFICE EXPENSE	1,162.	1,162.		0.
UTILITIES	76.	76.		0.
MANAGEMENT FEE	59,700.	59,700.		0.

INSURANCE	17,845.	17,845.	0.
PRINTING AND REPRODUCTION	7,542.	7,542.	0.
BANK CHARGES	77.	77.	0.
TO FORM 990-PF, PG 1, LN 23	259,032.	90,806.	0.

FORM 990-PF	CORPORATE STOCK	STATEMENT	13
-------------	-----------------	-----------	----

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE SECURITIES	2,438,452.	2,438,452.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,438,452.	2,438,452.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	14
-------------	-------------------	-----------	----

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
OTHER INVESTMENTS	FMV	8,429,468.	8,429,468.
TOTAL TO FORM 990-PF, PART II, LINE 13		8,429,468.	8,429,468.

FORM 990-PF	OTHER ASSETS	STATEMENT	15
-------------	--------------	-----------	----

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
RENT DEPOSIT	150.	716.	716.
LOAN COSTS, NET OF ACCUMULATED AMORTIZATION	44,295.	0.	0.
COMPASS LEARNING	0.	89,062.	89,062.
DEPOSITS	0.	10,000.	10,000.
OTHER ASSETS	0.	48,338.	48,338.
TO FORM 990-PF, PART II, LINE 15	44,445.	148,116.	148,116.

FORM 990-PF	OTHER LIABILITIES	STATEMENT	16
DESCRIPTION	BOY AMOUNT	EOY AMOUNT	
OTHER LIABILITIES	120,598.	0.	
INVESTMENTS - CAPITAL CALLS	1,366,582.	462,095.	
TOTAL TO FORM 990-PF, PART II, LINE 22	1,487,180.	462,095.	

FORM 990-PF	LIST OF SUBSTANTIAL CONTRIBUTORS PART VII-A, LINE 10	STATEMENT	17
-------------	---	-----------	----

NAME OF CONTRIBUTOR	ADDRESS
JOHN BRYAN	P.O. BOX 1929 LAKE OSWEGO, OR 97035

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION  
PART XV, LINES 2A THROUGH 2D

STATEMENT 18

---

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

---

THE CHALLENGE FOUNDATION  
1900 PRESTON ROAD #267  
PLANO, TX 75093

---

FORM AND CONTENT OF APPLICATIONS

---

REVIEW THE GRANTMAKING GUIDELINES ON THE FOUNDATION'S WEBSITE. DIRECT ALL  
INQUIRIES TO : INFORMATION@CHALLENGEFOUNDATION.ORG

---

ANY SUBMISSION DEADLINES

---

THERE ARE NO FIXED DEADLINES.

---

RESTRICTIONS AND LIMITATIONS ON AWARDS

---

GRANTS ARE LIMITED TO TAX-EXEMPT 501(C)(3) ORGANIZATIONS OR PUBLIC  
INSTITUTIONS. WE DO NOT MAKE GRANTS TO INDIVIDUALS, GENERAL OPERATING,  
ANNUAL FUNDRAISING CAMPAIGNS, DEBT REDUCTION, OR ENDOWMENT.

---

990-PF	INVOLVEMENT WITH NONCHARITABLE ORGANIZATIONS	STATEMENT	19
	PART XVII, LINE 1, COLUMN (D)		

---

---

NAME OF NONCHARITABLE EXEMPT ORGANIZATION

CHALLENGE FOUNDATION PROPERTIES OF OREGON, INC.

---

DESCRIPTION OF TRANSFERS, TRANSACTIONS, AND SHARING ARRANGEMENTS

CHALLENGE FOUNDATION PROPERTIES OF OREGON, INC IS A TITLE HOLDING COMPANY EXEMPT PURSUANT TO IRC SECTION 501(C)(2). THE TITLE HOLDING COMPANY DOES NOT HAVE EMPLOYEES.

---

NAME OF NONCHARITABLE EXEMPT ORGANIZATION

CHALLENGE FOUNDATION PROPERTIES, INC.

---

DESCRIPTION OF TRANSFERS, TRANSACTIONS, AND SHARING ARRANGEMENTS

CHALLENGE FOUNDATION PROPERTIES, INC IS A TITLE HOLDING COMPANY EXEMPT PURSUANT TO IRC SECTION 501(C)(2). THE TITLE HOLDING COMPANY DOES NOT HAVE EMPLOYEES.

---

990-PF	AFFILIATION WITH TAX-EXEMPT ORGANIZATIONS	STATEMENT	20
	PART XVII, LINE 2, COLUMN (C)		

---

---

NAME OF AFFILIATED OR RELATED ORGANIZATION

---

CHALLENGE FOUNDATION PROPERTIES, INC.

---

DESCRIPTION OF RELATIONSHIP WITH AFFILIATED OR RELATED ORGANIZATION

---

THE ORGANIZATION IS A TITLE HOLDING COMPANY EXEMPT PURSUANT TO IRS SECTION 501(C)(2).

---

NAME OF AFFILIATED OR RELATED ORGANIZATION

---

CHALLENGE FOUNDATION PROPERTIES OF OREGON, INC.

---

DESCRIPTION OF RELATIONSHIP WITH AFFILIATED OR RELATED ORGANIZATION

---

THE ORGANIZATION IS A TITLE HOLDING COMPANY EXEMPT PURSUANT TO IRS SECTION 501(C)(2).

The Challenge Foundation  
 EIN # 38-1817816  
 2013 Federal Form 990-PF  
 Consolidated Column A - page 1

Line #	Debit/(Credit) Description	Challenge Foundation EIN# 38-1817816	Challenge Foundation Properties, Inc EIN# 20-3540957	Challenge Foundation Properties of OR, Inc EIN# 26-0584979	Combined Balance 12/31/12	Eliminating Entries	Consolidated Balance 12/31/12
1	Contributions, gifts, grants, etc., received	8,230,086	-	-	8,230,086	-	8,230,086
2	Contributions from split-interest trusts	-	-	-	-	-	-
3	Interest on savings and temporary cash investments	955	-	-	955	-	955
4	Dividends and interest from securities	173,339	-	44,620	217,959	-	217,959
5a	Gross rents	(996,555)	264,000	814,636	1,078,636	-	1,078,636
6	Net (gain) or loss from sale of assets not on line 10	-	(3,482,632)	(6,711,827)	(11,191,014)	-	(11,191,014)
7	Capital gain net income	-	-	-	-	-	-
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	66,300	-	-	66,300	-	66,300
11	Other income	59,632	-	-	59,632	-	59,632
12	Total income	7,533,757	(3,218,632)	(5,852,571)	(1,537,446)	-	(1,537,446)
13	Compensation of officers, directors, trustees, etc	215,000	-	-	215,000	-	215,000
14	Other employee salaries and wages	779,642	-	-	779,642	-	779,642
15	Pension plans, employee benefits	27,138	-	-	27,138	-	27,138
16a	Legal fees	-	-	34,844	34,844	-	34,844
16b	Accounting fees	39,527	15,000	15,589	70,116	-	70,116
16c	Other professional fees	208,830	-	-	208,830	-	208,830
17	Interest	-	237,148	-	237,148	-	237,148
18	Taxes	104,611	-	4,343	108,954	-	108,954
19	Depreciation	951	-	676,509	677,460	-	677,460
20	Occupancy	17,506	-	-	17,506	-	17,506
21	Travel, conferences, and meetings	158,245	-	-	158,245	-	158,245
22	Printing and publications	-	-	-	-	-	-
23	Other expenses	168,225	1,771	89,034	259,030	-	259,030
24	Total operating and administrative expenses	1,719,677	253,919	820,319	2,793,916	-	2,793,916
25	Contributions, gifts, grants paid	4,123,725	-	-	4,123,725	-	4,123,725
26	Total expenses and disbursements	5,843,402	253,919	820,319	6,917,641	-	6,917,641
27a	Excess of revenue over expenses and disbursements	\$ 1,690,355	\$ (3,472,551)	\$ (6,672,889)	\$ (8,455,087)	\$ -	\$ (8,455,087)

The Challenge Foundation  
 EIN # 58-1817816  
 2013 Federal Form 990-PF  
 Consolidated Column B - page 1

Line #	Description	Challenge Foundation EIN# 58-1817816	Challenge Foundation Properties, Inc EIN# 20-3540957	Challenge Foundation Properties of OR, Inc EIN# 26-0584979	Combined Balance 12/31/12	Eliminating Entries	Consolidated Balance 12/31/12
1	Contributions, gifts, grants, etc., received	-	-	-	-	-	-
2	Contributions from split-interest trusts	-	-	-	-	-	-
3	Interest on savings and temporary cash investments	955	-	-	955	-	955
4	Dividends and interest from securities	173,339	-	44,620	217,959	-	217,959
5a	Gross rents	-	264,000	814,636	1,078,636	-	1,078,636
5b	Net rental (income) or loss	-	-	-	-	-	-
6	Net (gain) or loss from sale of assets not on line 10	-	-	-	-	-	-
7	Capital gain net income	-	-	-	-	-	-
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	59,632	-	-	59,632	-	59,632
12	Total income	233,926	264,000	859,256	1,357,182	-	1,357,182
13	Compensation of officers, directors, trustees, etc	-	-	-	-	-	-
14	Other employee salaries and wages	-	-	-	-	-	-
15	Pension plans, employee benefits	-	-	-	-	-	-
16a	Legal fees	-	-	34,844	34,844	-	34,844
16b	Accounting fees	-	15,000	15,589	30,589	-	30,589
16c	Other professional fees	43,028	-	-	43,028	-	43,028
17	Interest	-	237,148	-	237,148	-	237,148
18	Taxes	61,009	-	4,343	65,352	-	65,352
19	Depreciation	-	-	676,509	676,509	-	676,509
20	Occupancy	-	-	-	-	-	-
21	Travel, conferences, and meetings	-	-	-	-	-	-
22	Printing and publications	-	-	-	-	-	-
23	Other expenses	-	1,771	-	-	-	-
24	Total operating and administrative expenses	104,037	253,919	89,034	90,805	-	90,805
25	Contributions, gifts, grants paid	-	-	820,319	1,178,275	-	1,178,275
26	Total expenses and disbursements	104,037	253,919	820,319	1,178,275	-	1,178,275
27a	Excess of revenue over expenses and disbursements	\$ 129,889	\$ 10,081	\$ 38,937	\$ 178,906	\$ -	\$ 178,906



The Challenge Foundation  
 EIN # 58-1817816  
 2013 Federal Form 990-PF  
Consolidated Balance Sheet

Line #	Debit/(Credit) Description	Challenge Foundation EIN# 58-1817816	Challenge Foundation Properties, Inc EIN# 20-3540957	Challenge Foundation Properties of Oregon, Inc EIN# 26-0584979	Combined Balance 12/31/12	Eliminating Entries	Consolidated Balance 12/31/12
1	Cash-non interest bearing	202,480	181,571	117,271	501,322	-	501,322
2	Savings and temporary cash investments	4,322,725	-	-	4,322,725	-	4,322,725
3	Accounts receivable	57,617	-	270,260	327,877	-	327,877
4	Less allowance for doubtful accounts	-	-	-	-	-	-
5	Pledges receivables	-	-	-	-	-	-
6	Less allowance for doubtful accounts	-	-	-	-	-	-
7	Grant receivable	-	-	-	-	-	-
8	Rec due from officers, directors, trustees, and other	-	-	-	-	-	-
9	Other notes and loans receivable	-	-	1,312,107	1,312,107	-	1,312,107
10	Less allowance for doubtful accounts	-	-	-	-	-	-
11	Inventories for sale or use	-	-	-	-	-	-
12	Prepaid expenses and deferred charges	22,801	-	-	22,801	-	22,801
13	Investments--U S and state government obligations	-	-	-	-	-	-
14	Investments--corporate stock	2,438,452	-	-	2,438,452	-	2,438,452
15	Investments--other investments	8,429,468	-	-	8,429,468	-	8,429,468
16	Land, buildings, and equipment basis	62,571	-	21,472,788	21,535,359	-	21,535,359
17	Less accumulated depreciation	(60,779)	-	(1,705,565)	(1,766,344)	-	(1,766,344)
18	Investments--mortgage loans	-	-	-	-	-	-
19	Investments--other investments	-	-	-	-	-	-
20	Land, buildings, and equipment basis	-	-	-	-	-	-
21	Less accumulated depreciation	-	-	-	-	-	-
22	Other assets--Loan costs, net of accumulated amortization	-	-	-	-	-	-
23	Other assets	89,778	-	58,338	148,116	-	148,116
24	Total asset	15,565,113	181,571	21,525,198	37,271,882	-	37,271,882
25	Accounts payable and accrued expenses	-	-	-	-	-	-
26	Grants payable	81,166	-	179,860	261,026	-	261,026
27	Support and revenue designed for future periods	-	-	-	-	-	-
28	Loan from officers, directors, trustees & etc	-	-	-	-	-	-
29	Mortgages and other notes payable	-	-	-	-	-	-
30	Other liabilities	462,095	-	-	462,095	-	462,095
31	Total liabilities	543,261	-	179,860	723,121	-	723,121
32	Unrestricted	15,021,852	181,571	21,345,339	36,548,760	-	36,548,760
33	Temporarily restricted	-	-	-	-	-	-
34	Permanently restricted	-	-	-	-	-	-
35	Total net assets or fund balances	15,021,852	181,571	21,345,339	36,548,760	-	36,548,760
36	Total liabilities and net assets/fund balances	15,565,113	181,571	21,525,198	37,271,882	-	37,271,882
<u>Analysis of Net Assets/Fund Balances</u>							
Total Net Assets/Fund Balance at Beginning of Year		42,087,422	(1,201,336)	174,358	41,060,444	-	41,060,444
Enter amount from Part I, Line 27		1,690,355	(3,472,551)	(6,672,889)	(8,455,087)	-	(8,455,087)
Subtotal		43,777,777	(4,673,887)	(6,498,531)	32,605,357	-	32,605,357
<u>Decreases - Book/Tax Differences on K-1s</u>							
- Intercompany		3,943,404	-	-	3,943,404	-	3,943,404
Total Decreases		(32,699,329)	4,855,458	27,843,870	(1)	-	(1)
		(28,755,925)	4,855,458	27,843,870	3,943,403	-	3,943,403
Total Net Assets/Fund Balance at End of Year		15,021,852	181,571	21,345,339	36,548,760	-	36,548,760

# Affiliations Schedule

► **File with each consolidated income tax return.**  
**For tax year ending**

OMB No 1545-0025

Name of common parent corporation

Employer identification number

THE CHALLENGE FOUNDATION

58-1817816

Number, street, and room or suite no. If a P O box, see instructions

C/O HABIF, AROGETI & WYNNE, LLP 5 CONCOURSE PARKWAY SUITE 1000

City or town, state, and ZIP code

ATLANTA, GA 30328

## Part I Overpayment Credits, Estimated Tax Payments, and Tax Deposits (see instructions)

Corp No	Name and address of corporation	Employer identification number	Portion of overpayment credits and estimated tax payments	Portion of tax deposited with Form 7004
	Common parent corporation		31,440.00	0.00
	Subsidiary corporations. CHALLENGE FOUNDATION PROPERTIES, INC C/O 5 CONCOURSE PARKWAY SUITE 1000 ATLANTA, GA 30328	20-3540957		
	CHALLENGE FOUNDATION PROPERTIES OF OR, INC C/O 5 CONCOURSE PARKWAY SUITE 1000 ATLANTA, GA 30328	26-0584979		
<b>Totals</b> (Must equal amounts shown on the consolidated tax return) . . . . . ►			31,440.00	

## Part II Principal Business Activity, Voting Stock Information, Etc. (see instructions)

Corp No	Principal business activity (PBA)	PBA Code No	Did the subsidiary make any nondividend distributions?		Stock holdings at beginning of year			
			Yes	No	Number of shares	Percent of voting power	Percent of value	Owned by corporation no
	Common parent corporation							
	Subsidiary corporations CHALLENGE FOUNDATION PROPERTIES, INC	813000		x	*	100 %	100 %	1
	CHALLENGE FOUNDATION PROPERTIES OF of OR, Inc	813000		x	*	100 %	100 %	1
						%	%	
						%	%	
	* NOT FOR PROFIT CORPORATION - NO STOCK ISSUED					%	%	
						%	%	

**Part III** Changes in Stock Holdings During the Tax Year

Corp No	Name of corporation	Shareholder of Corporation No	Date of transaction	(a) Changes		(b) Shares held after changes described in column (a)	
				Number of shares acquired	Number of shares disposed of	Percent of voting power	Percent of value
	N/A					%	%
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%

(c) If any transaction listed above caused a transfer of a share of subsidiary stock (defined to include dispositions and deconsolidations), did the share's basis exceed its value at the time of the transfer? See instructions . . . . . ☐ Yes ☐ No

(d) Did any share of subsidiary stock become worthless within the meaning of section 165 (taking into account the provisions of Regulations section 1.1502-80(c)) during the taxable year? See instructions . . . . . ☐ Yes ☐ No

(e) If the equitable owners of any capital stock shown above were other than the holders of record, provide details of the changes.

---



---



---



---



---



---

(f) If additional stock was issued, or if any stock was retired during the year, list the dates and amounts of these transactions.

---



---



---



---



---



---

**Part IV Additional Stock Information** (see instructions)

- 1** During the tax year, did the corporation have more than one class of stock outstanding? ☐ Yes ☐ No  
 If "Yes," enter the name of the corporation and list and describe each class of stock

Corp No	Name of corporation	Class of stock

- 2** During the tax year, was there any member of the consolidated group that reaffiliated within 60 months of disaffiliation? ☐ Yes ☐ No  
 If "Yes," enter the name of the corporation(s) and explain the circumstances.

Corp No	Name of corporation	Explanation

- 3** During the tax year, was there any arrangement in existence by which one or more persons that were not members of the affiliated group could acquire any stock, or acquire any voting power without acquiring stock, in the corporation, other than a de minimis amount, from the corporation or another member of the affiliated group? ☐ Yes ☐ No  
 If "Yes," enter the name of the corporation and see the instructions for the percentages to enter in columns (a), (b), and (c)

Corp No	Name of corporation	(a) Percent of value	(b) Percent of outstanding voting stock	(c) Percent of voting power
		%	%	%
		%	%	%
		%	%	%
		%	%	%

Corp No	(d) Provide a description of any arrangement

## 2013 Challenge Foundation Grants

### **TeamCFA Foundation**

**1 East Washington Street, Suite 500**

**Phoenix, AZ 85004**

---

Sustaining support for the TeamCFA Foundation to continue developing the TeamCFA national network of Challenge Foundation Academies.

---

<b>Total</b>	<b>\$3,271,725</b>
--------------	--------------------

### **YMCA of Columbia-Willamette**

**3001 S. E. Oxbow Parkway**

**Gresham, OR 97080**

**Check to: YMCA of Columbia-Willamette**

**Note on check: For Camp Collins**

---

Support for "kids to camp" scholarships, \$8,000 of which will be on a matching (1:1) basis to attract new scholarship gifts. The grant will make it possible for low-income youth to attend Camp Collins next summer.

---

<b>Total</b>	<b>\$30,000</b>
--------------	-----------------

### **Campus Crusade for Christ**

**Attn: Contributions**

**P. O. Box 628222**

**Orlando, FL 32862-8222**

**Check to: Campus Crusade for Christ**

---

For support of Campus Crusade for Christ's missionary in Philosophy and Apologetics Corey Miller (#0623240). Corey's mission is to promote and defend Christian teachings, beliefs, and values among higher academic circles of colleges and universities both locally and globally.

---

<b>Total</b>	<b>\$7,000</b>
--------------	----------------

### **Ridgeline Academy CFA**

**33625 N. North Valley Pkwy**

**Phoenix, AZ 85085**

---

For supplemental startup support to help Ridgeline Academy fully implement the Core Knowledge academic program and become a financially sustainable Challenge Foundation Academy in the TeamCFA network.

---

<b>Total</b>	<b>\$175,000</b>
--------------	------------------

### **Jesuit High School**

**9000 SW Beaverton Hillsdale Highway**

**Portland, OR 97225-2491**

---

**Check to: Jesuit High School**

---

Contribution to the Jesuit High School Foundation to support the endowed campus ministry program.

---

<b>Total</b>	<b>\$10,000</b>
--------------	-----------------

---

**Cato Institute**

**1000 Massachusetts Avenue, NW**

**Washington, DC 20001-5403**

---

**Check to: Cato Institute**

---

General operating support for Cato's mission to promote Libertarian principles of limited government, free markets, and individual liberty.

---

<b>Total</b>	<b>\$50,000</b>
--------------	-----------------

---

**Thomas B. Fordham Institute**

**1016 16th Street NW, 8th Floor**

**Washington, DC 20036**

---

**Check to: Thomas B. Fordham Institute**

---

To support the Thomas B. Fordham Institute and Manhattan Institute jointly sponsored conference to recognize and celebrate Dr. E. D. Hirsch, Jr.'s contributions to the betterment of education and to discuss how his work can change what is learned in tomorrow's classrooms.

---

<b>Total</b>	<b>\$10,000</b>
--------------	-----------------

---

**Americans for Prosperity Foundation**

**2111 Wilson Blvd., Suite 350**

**Arlington, VA 22201**

---

**Check to: Americans for Prosperity Foundation**

---

To support Americans for Prosperity's startup of its state chapters in Tennessee and South Carolina. The two new chapters will engage citizens in the name of limited government at the state level and advocate for public policies that champion the principles of entrepreneurship and fiscal and regulatory restraint.

---

<b>Total</b>	<b>\$150,000</b>
--------------	------------------

---

**Institute for Energy Research**

**1155 15th Street NW, Suite 900**

**Washington, DC 20005**

---

**Check to: The Institute for Energy Research**

---

---

To support the Institute for Energy Research's mission to promote freely-functioning energy markets in order to provide the most efficient and effective solutions to today's global energy and environmental challenges, an initiative critical to the well-being of individuals and society.

---

<b>Total</b>	<b>\$25,000</b>
--------------	-----------------

**Institute for Humane Studies**

**3301 North Fairfax Dr., MSN 1C5**

**Arlington, VA 22201**

**Check to: Institute for Humane Studies**

---

General operating support for the Institute for Humane Studies' mission to advance a freer society by discovering and facilitating the development of talented, productive students, scholars, and other intellectuals who share an interest in liberty.

---

<b>Total</b>	<b>\$15,000</b>
--------------	-----------------

**Mercatus Center at George Mason University**

**3351 Fairfax Drive, 4th Floor**

**Arlington, VA 22201**

**Check to: George Mason University Foundation**

---

General operating support for the Mercatus Center's mission to generate knowledge and understanding of the institutions that affect the freedom to prosper, and to find sustainable solutions that overcome the barriers preventing individuals from living free, prosperous, and peaceful lives.

---

<b>Total</b>	<b>\$25,000</b>
--------------	-----------------

**Cascade Policy Institute**

**4850 SW Sholls Ferry Rd., Suite 103**

**Portland, OR 97225**

**Check to: Cascade Policy Institute**

---

To support Cascade Policy Institute's mission to develop and promote public policy alternatives that foster individual liberty, personal responsibility and economic opportunity. Focusing on state and local issues in Oregon, Cascade promotes property rights, incentives, markets and decentralized decision-making.

---

<b>Total</b>	<b>\$25,000</b>
--------------	-----------------

**Stossel in the Classroom**

**1420 Walnut Street, Suite 1011**

**Philadelphia, PA 19102**

**Check to: Center for Independent Thought, Inc.**

---

To support the Center for Independent Thought's media project "Stossel in the Classroom." Using educational and engaging segments from John Stossel of Fox News, the project provides teachers with thought-provoking programs that stimulate lively classroom discussions on such subjects as free market economics, foreign aid, price gouging, and school choice. Students are motivated to question conventional wisdom, gather and analyze information, and distinguish between fact and opinion.

---

**Total** **\$10,000**

**Competitive Enterprise Institute**

**1899 L Street, NW 12th Floor**

**Washington, DC 20036**

**Check to: Competitive Enterprise Institute**

---

To support the Competitive Enterprise Institute's mission to advance the principles of limited government, free enterprise, and individual liberty by promoting both freedom and fairness through good public policy. CEI makes the uncompromising case for economic freedom through the belief that it is essential for entrepreneurship, innovation, and prosperity to flourish.

---

**Total** **\$10,000**

**Franklin Center for Government & Public Integrity**

**1229 King Street, 3rd Floor**

**Alexandria, VA 22314**

**Check to: Franklin Center for Government & Public Integrity**

---

To support the Franklin Center for Government and Public Integrity's mission to address falling standards in the media as well as a steep decline in reporting on state government. The Franklin Center provides professional training in the areas of research, editorial, multimedia and technical support. It also assists with marketing and promoting the work of a nationwide network of nonprofit reporters. Specializing in state and local government, the Franklin Center has focused on driving a conversation about transparency, accountability, and fiscal responsibility at the grassroots level and putting a human face on public policy.

---

**Total** **\$25,000**

**FreedomWorks Foundation**

**400 North Capitol Street, NW**

**Suite 765**

**Washington, DC 20001**

**Check to: FreedomWorks Foundation**



---

To support FreedomWork's mission to identify, educate, and activate citizens who are passionate about supporting free enterprise and limited government.

---

**Total** **\$25,000**

**Goldwater Institute**  
**500 East Coronado Road**  
**Phoenix, AZ 85004**

**Check to: The Goldwater Institute**

---

To support the Goldwater Institute's initiative to promote educational freedom through charter schools, education savings accounts, tuition tax credit scholarships, and other policy innovations that empower families to seek the best possible education for their children.

---

**Total** **\$50,000**

**The Heritage Foundation**  
**214 Massachusetts Avenue, NE**  
**Washington, DC 20002-4999**

**Check to: The Heritage Foundation**

---

General operating support for the Heritage Foundation's mission to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense.

---

**Total** **\$25,000**

**Hillsdale College**  
**33 E. College Street**  
**Hillsdale, MI 49242-9989**

**Check to: Hillsdale College**

---

To support Hillsdale College's mission to pursue truth and defend liberty. Hillsdale provides an exceptional education to its students and equips them to become intelligent, committed, and principled citizens. Central to Hillsdale's various degree programs is a required, foundational course in the U. S. Constitution.

---

**Total** **\$10,000**

**Moving Picture Institute**  
**375 Greenwich St.**  
**New York, NY 10013**  
**Check to: Moving Picture Institute**

---

Support for the Moving Picture Institute's mission to identify and nurture promising filmmakers who are committed to protecting and sustaining a free society.

---

**Total** **\$10,000**

**Reason Foundation**

**5737 Mesmer Ave.**

**Los Angeles, CA 90230**

**Check to: Reason Foundation**

---

General operating support for the Reason Foundation's mission to advance a free society by developing, applying, and promoting libertarian principles, including individual liberty, free markets, and the rule of law.

---

**Total** **\$5,000**

**The Leadership Institute**

**Steven PJ Wood Building**

**1101 North Highland Street**

**Arlington, VA 22201-9895**

**Check to: Leadership Institute**

---

General operating support for the Leadership Institute's mission to train and prepare leaders who are committed to free enterprise, limited government, strong national defense, and traditional values.

---

**Total** **\$5,000**

**George Washington's Mount Vernon Estate & Gardens**

**P. O. Box 110**

**Mount Vernon, VA 22121**

**Check to: George Washington's Mount Vernon**

---

To support the Mount Vernon Ladies' Association's mission to preserve, restore, and manage the estate of George Washington to the highest standards and to educate visitors and people throughout the world about the life and legacies of George Washington, so that his example of character and leadership will continue to inform and inspire future generations.

---

**Total** **\$10,000**

**Young America's Foundation**

**F. M. Kirby Freedom Center**

**110 Elden Street**

**Herndon, VA 20170**

**Check to: Young America's Foundation**

---

General operating support for the Young America's Foundation's mission to ensure that increasing numbers of young Americans understand and are inspired by the ideas of individual freedom, a strong national defense, free enterprise, and traditional values.

---

**Total** **\$10,000**

**The Friedman Foundation for Educational Choice**  
**One American Square, Suite 2420**  
**Indianapolis, IN 46282**

**Check to: The Friedman Foundation for Educational Choice**

---

To support The Friedman Foundation for Educational Choice's mission to preserve and promote Milton and Rose Friedman's dream of establishing universal school choice as the most effective and equitable way to improve the quality of K-12 education in America.

---

**Total** **\$25,000**

**The Philanthropy Roundtable**  
**1730 M Street, NW, Suite 601**  
**Washington, DC 20036**

**Check to: The Philanthropy Roundtable**

---

Continuing support for The Philanthropy Roundtable's K-12 Education Breakthrough Group. The grant will help The Roundtable continue its active outreach to new philanthropists on opportunities to invest in K-12 education reform efforts, both in the nation and in their individual communities.

---

**Total** **\$25,000**

**Milwaukee Collegiate Academy**  
**4030 N. 29th Street**  
**Milwaukee, WI 53216**

**Check to: Milwaukee Collegiate Academy**

---

To support Milwaukee Collegiate Academy's mission to nurture scholars capable of transforming their world by sending them to and through college. The school's vision is to produce responsible leaders through academic mastery, community focused education and the fostering of lifelong learning in any environment.

---

**Total** **\$25,000**

**Arizona Charter Schools Association**  
**1825 E. Northern Avenue, Suite 275**  
**Phoenix, AZ 85020**

**Check to: Arizona Charter Schools Association**

---

To support the Arizona Charter Schools Association's New Schools for Phoenix Project. Over the next three years, the ACSA Project's goal is to recruit, train, and enable new school leaders to open 25 high-quality charter schools serving 12,500 low-income students in the Phoenix Union High School District. TeamCFA school directors will be among those being recruited and trained for the startup schools in the District.

---

<b>Total</b>	<b>\$50,000</b>
--------------	-----------------

**Gilder Lehrman Institute of American History**

**49 West 45th Street, 6th Floor**

**New York, NY 10036**

**Check to: The Gilder Lehrman Institute of American History**

---

Support for the Gilder Lehrman Institute of American History's mission to improve American history education. The grant will help the Institute provide annual support and resources to tens of thousands of teachers, and through them enhance the history education of more than a million students in U. S. schools. This includes website access to more than 60,000 unique historical documents in the Gilder Lehrman Collection.

---

<b>Total</b>	<b>\$10,000</b>
--------------	-----------------

<b>Grant Total</b>	<b>\$ 4,123,725</b>
--------------------	---------------------

THE CHALLENGE FOUNDATION [70460]  
Depreciation Expense

Federal

01/01/2013 - 12/31/2013

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus / Inv. %	Sec. 179 Bonus / (Cur. Yr. Only)	Salvage / Basis Adj.	Beg. Accum. Depreciation / (Sec. 179)	Current Depreciation	Total Depreciation / (Sec. 179)
990, Pg 10 #1 - Form 990, Page 10												
1		FAX MACHINE	4/5/1994	M / HY	5 0000	487 00	100 0000	0 00	0 00	487 00	0 00	487 00
2		DESKS & CHAIR	6/27/1994	M / HY	7 0000	1,314 00	100 0000	0 00	0 00	1,314 00	0 00	1,314 00
3		4 USED FILE C/	8/2/1994	M / HY	7 0000	400 00	100 0000	0 00	0 00	399 95	0 00	399 95
6		2 file cabinets	6/1/1995	M / MQ	7 0000	249 00	100 0000	0 00	0 00	249 00	0 00	249 00
7		2 Mac laptops	10/1/1995	M / MQ	5 0000	5,400 00	100 0000	0 00	0 00	5,399 80	0 00	5,399 80
8		Apple printer 12	10/1/1995	M / MQ	5 0000	269 00	100 0000	0 00	0 00	269 00	0 00	269 00
9		fax machine	11/1/1995	M / MQ	5 0000	550 00	100 0000	0 00	0 00	550 00	0 00	550 00
10		Magnavox TV/Vi	12/1/1995	M / MQ	5 0000	325 00	100 0000	0 00	0 00	325 00	0 00	325 00
11		Apple printer 24	12/1/1995	M / MQ	5 0000	355 00	100 0000	0 00	0 00	355 00	0 00	355 00
12		Macintosh 6300	2/29/1996	M / MQ	5 0000	2,499 00	100 0000	0 00	0 00	2,499 00	0 00	2,499 00
13		HP laser 5mp pr	2/29/1996	M / MQ	5 0000	1,107 00	100 0000	0 00	0 00	1,107 00	0 00	1,107 00
14		bookcase	3/27/1996	M / MQ	7 0000	284 00	100 0000	0 00	0 00	284 00	0 00	284 00
15		2 executive desl	11/2/1996	M / MQ	7 0000	1,138 00	100 0000	0 00	0 00	1,138 00	0 00	1,138 00
16		knee credenza, l	11/2/1996	M / MQ	7 0000	835 00	100 0000	0 00	0 00	835 00	0 00	835 00
17		computer desk,	11/2/1996	M / MQ	7 0000	686 00	100 0000	0 00	0 00	686 00	0 00	686 00
18		2 desk side chai	11/2/1996	M / MQ	7 0000	474 00	100 0000	0 00	0 00	474 00	0 00	474 00
19		executive chair	11/2/1996	M / MQ	7 0000	336 00	100 0000	0 00	0 00	336 00	0 00	336 00
20		2 drawr lateral fi	12/2/1996	M / MQ	7 0000	399 00	100 0000	0 00	0 00	399 00	0 00	399 00
21		office sofa	12/2/1996	M / MQ	5 0000	1,599 00	100 0000	0 00	0 00	1,599 00	0 00	1,599 00
22		copier	2/20/1997	M / MQ	5 0000	191 00	100 0000	0 00	0 00	191 00	0 00	191 00
23		phone	8/20/1997	M / MQ	5 0000	400 00	100 0000	0 00	0 00	400 00	0 00	400 00
24		fax	8/20/1997	M / MQ	5 0000	2,100 00	100 0000	0 00	0 00	2,100 00	0 00	2,100 00
25		HP computer	12/18/1997	M / MQ	5 0000	708 00	100 0000	0 00	0 00	707 60	0 00	707 60
26		fax	10/20/1997	M / MQ	5 0000	688 99	100 0000	0 00	0 00	688 99	0 00	688 99
27		Equipment	1/19/1998	MT / HY	5 0000	2,480 15	100 0000	0 00	0 00	2,480 15	0 00	2,480 15
28		Computer equip	2/21/1998	MT / HY	5 0000	1,973 83	100 0000	0 00	0 00	1,973 83	0 00	1,973 83
29		Computer equip	3/23/1998	MT / HY	5 0000	351 97	100 0000	0 00	0 00	351 97	0 00	351 97
30		Printer	4/13/1998	MT / HY	5 0000	2,099 89	100 0000	0 00	0 00	2,099 89	0 00	2,099 89
31		Laptop compute	5/23/1998	MT / HY	5 0000	215 42	100 0000	0 00	0 00	215 42	0 00	215 42
32		Spring PCS pho	5/29/1998	MT / HY	5 0000	358 74	100 0000	0 00	0 00	358 74	0 00	358 74
33		Printer	12/4/1998	MT / HY	5 0000	1,989 97	100 0000	0 00	0 00	1,989 97	0 00	1,989 97
34		Fujitsu Laptop	7/15/2003	M / HY	5 0000	100 00	100 0000	0 00	0 00	100 00	0 00	100 00
35		Worksoft	12/4/1998	SL / N/A	3 0000	290 96	100 0000	0 00	0 00	290 96	0 00	290 96
38		Printer	6/28/1999	MT / HY	5 0000	3,569 39	100 0000	0 00	0 00	3,569 39	0 00	3,569 39
39		(1) laptops and (	3/1/2000	MT / HY	5 0000	2,688 00	100 0000	0 00	0 00	2,688 00	0 00	2,688 00
40		Computer equip	4/26/2000	MT / HY	5 0000	2,336 00	100 0000	0 00	0 00	2,336 00	0 00	2,336 00
41		Dell Inspiron 40i	2/26/2001	MT / HY	7 0000	2,244 00	100 0000	0 00	0 00	2,244 00	0 00	2,244 00
42		Dell Latitude L4i	5/29/2001	MT / HY	7 0000	250 00	100 0000	0 00	0 00	204 11	0 00	204 11
43		lomega CD Writc	9/27/2001	MT / HY	7 0000	200 00	100 0000	0 00	0 00	163 27	0 00	163 27
44		Hewlett Packarc	9/27/2001	MT / HY	7 0000	200 00	100 0000	0 00	0 00	163 27	0 00	163 27
45		Toshiba Modem	9/27/2001	MT / HY	5 0000	521 47	100 0000	0 00	0 00	396 32	0 00	396 32
46		Hewlett Packarc	2/1/2002	MT / HY	5 0000	1,599 98	100 0000	0 00	0 00	1,215 99	0 00	1,215 99
47		Sony VAIO R50i	2/12/2002	MT / HY	5 0000	450 48	100 0000	0 00	0 00	342 38	0 00	342 38
48		Hewlett Packarc	8/25/2002	MT / HY	5 0000	1,944 74	100 0000	0 00	0 00	1,944 74	0 00	1,944 74
49		Dell Latitude D5	1/11/2005	M / MQ	5 0000							

THE CHALLENGE FOUNDATION [70460]  
**Depreciation Expense**

Federal

01/01/2013 - 12/31/2013

58-1817816  
01/01/2013 - 12/31/2013  
Sorted: General - tax link

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus./Inv. %	Sec. 179/ Bonus/ (Cur. Yr. Only)	Salvage/ Basis Adj.	Beg. Accum. Depreciation/ (Sec. 179)	Current Depreciation	Total Depreciation/ (Sec. 179)
<b>990, Pg 10 #1 - Form 990, Page 10</b>												
50		Xerox Documat	12/5/2005	M / MQ	5 0000	349 98	100 0000	0 00	0 00	349 98	0 00	349 98
51		Sony Vaio S560	10/3/2005	M / MQ	5 0000	2,249 98	100 0000	0 00	0 00	2,249 98	0 00	2,249 98
52		Gateway LCD M	1/17/2006	M / MQ	5 0000	339 98	100 0000	0 00	0 00	339 98	0 00	339 98
53		HP Officejet 731	11/1/2006	M / MQ	5 0000	399 99	100 0000	0 00	0 00	399 99	0 00	399 99
54		HP Laptop Com	5/30/2007	M / HY	5 0000	2,373 20	100 0000	0 00	0 00	2,373 20	0 00	2,373 20
55		Printer	11/29/2007	M / HY	5 0000	359 00	100 0000	0 00	0 00	359 00	0 00	359 00
56		HP Laptop Com	8/30/2007	M / HY	5 0000	1,106 17	100 0000	0 00	0 00	1,106 17	0 00	1,106 17
57		Digital Camera	1/8/2009	M / HY	5 0000	3,206 51	100 0000	0 00	0 00	2,652 42	369 39	3,021 81
58		Software	7/30/2009	M / HY	3 0000	1,111 95	100 0000	0 00	0 00	1,111 95	0 00	1,111 95
59		equipment	1/15/2012	M / HY	5 0000	1,069 98	100 0000	0 00	0 00	214 00	342 39	556 39
60		equipment	7/7/2012	M / HY	5 0000	746 25	100 0000	0 00	0 00	149 25	238 80	388 05
<b>Subtotal: 990, Pg 10 #1 - Form 990, Page 10</b>						<b>62,570.97</b>		<b>0.00</b>	<b>0.00</b>	<b>59,826.66</b>	<b>950.58</b>	<b>60,777.24</b>
Less dispositions and exchanges:						0 00		0 00	0 00	0 00	0 00	0 00
<b>Net for: 990, Pg 10 #1 - Form 990, Page 10</b>						<b>62,570.97</b>		<b>0.00</b>	<b>0.00</b>	<b>59,826.66</b>	<b>950.58</b>	<b>60,777.24</b>
<b>Subtotal:</b>												
Less dispositions and exchanges:						0 00		0 00	0 00	0 00	0 00	0 00
<b>Grand Totals:</b>						<b>62,570.97</b>		<b>0.00</b>	<b>0.00</b>	<b>59,826.66</b>	<b>950.58</b>	<b>60,777.24</b>

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL**

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
03/28/13	28.000	AETNA INC-NEW ACCOUNT NUMBER 51752600 28 0000 UNITS ACQUIRED ON 02/04/11	- \$1,023.39	\$1,400.79	\$0.00	\$377.40
12/30/13	0.333	ALLEGION PLC ACCOUNT NUMBER 51752600 0 3330 UNITS ACQUIRED ON 02/04/11	1,023 39 - 9.61	14.74	0.00	5.13
05/28/13	10.000	ALLERGAN INC ACCOUNT NUMBER 3025886209 10 0000 UNITS ACQUIRED ON 07/03/12	9 61 - 953.10	980.71	27.61	0.00
08/12/13	4.000	ALLERGAN INC ACCOUNT NUMBER 3025886209 4 0000 UNITS ACQUIRED ON 07/03/12	953 10 - 381.24	361.76	0.00	- 19.48
12/17/13	4.000	ALLERGAN INC ACCOUNT NUMBER 3025886209 4 0000 UNITS ACQUIRED ON 07/03/12	381 24 - 381.24	388.06	0.00	6.82
12/30/13	7.000	ALLERGAN INC ACCOUNT NUMBER 3025886209 7 0000 UNITS ACQUIRED ON 07/03/12	381 24 - 667.17	760.49	0.00	93.32
06/21/13	27.000	AMERICAN EXPRESS CO ACCOUNT NUMBER 51752600 20 0000 UNITS ACQUIRED ON 02/16/12 7 0000 UNITS ACQUIRED ON 02/04/11	667 17 - 1,362.70	2,029.70	0.00	667.00
06/24/13	21.000	AMERICAN EXPRESS CO ACCOUNT NUMBER 51752600 21 0000 UNITS ACQUIRED ON 02/04/11	1,057 71 304 99 - 914.97	1,568.72	0.00	653.75
04/30/13	18.000	APPLE INC ACCOUNT NUMBER 3025886209 2 0000 UNITS ACQUIRED ON 03/18/09 4 0000 UNITS ACQUIRED ON 01/27/09 4 0000 UNITS ACQUIRED ON 01/29/09 3 0000 UNITS ACQUIRED ON 01/28/09 5 0000 UNITS ACQUIRED ON 03/01/07	914 97 - 1,660.56	7,389.25	0.00	5,728.69

147 of 171

THE PRIVATE BANK

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
05/28/13	8,000	APPLE INC ACCOUNT NUMBER 3025886209 8 0000 UNITS ACQUIRED ON 03/01/07	- 702.72	3,559.00	0.00	2,856.28
06/03/13	14,000	APPLE INC ACCOUNT NUMBER 3025886209 14 0000 UNITS ACQUIRED ON 03/01/07	- 1,229.76	6,231.18	0.00	5,001.42
03/20/13	8,000	ARM HOLDINGS PLC - ADR ACCOUNT NUMBER 3025886209 8 0000 UNITS ACQUIRED ON 07/03/12	- 194.32	336.59	142.27	0.00
10/24/13	15,000	ARM HOLDINGS PLC - ADR ACCOUNT NUMBER 3025886209 1 0000 UNITS ACQUIRED ON 08/01/13 14 0000 UNITS ACQUIRED ON 07/03/12	- 380.82	768.37	10.46	377.09
06/03/13	1,673.729	ARTISAN FDS INC SMALL CAP FD #660 ACCOUNT NUMBER 3025001931 1,673 7290 UNITS ACQUIRED ON 06/26/12	- 31,817.59	39,500.00	7,682.41	0.00
07/15/13	899,050	CALVERT CAPTL ACCUMULATION-I #764 ACCOUNT NUMBER 3025001931 899 0500 UNITS ACQUIRED ON 12/13/11	- 26,800.68	35,000.00	0.00	8,199.32
03/14/13	14,000	CERNER CORP COM ACCOUNT NUMBER 3025886209 14 0000 UNITS ACQUIRED ON 07/03/12	- 1,168.58	1,298.55	129.97	0.00
04/29/13	18,000	COGNIZANT TECH SOLUTIONS CRP COM ACCOUNT NUMBER 51752600 14 0000 UNITS ACQUIRED ON 12/18/12 4 0000 UNITS ACQUIRED ON 05/21/12	- 1,281.05	1,131.18	- 149.87	0.00
04/30/13	11,000	COGNIZANT TECH SOLUTIONS CRP COM ACCOUNT NUMBER 3025886209 10 0000 UNITS ACQUIRED ON 03/26/12 1 0000 UNITS ACQUIRED ON 03/07/11	- 848.38	692.20	0.00	- 156.18

148 of 171

THE PRIVATE BANK



032832



Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013

**WELLS  
FARGO**

Consolidated Account Number M02536

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
05/03/13	15.000	COGNIZANT TECH SOLUTIONS CRP COM ACCOUNT NUMBER 51752600 9 0000 UNITS ACQUIRED ON 05/21/12 6 0000 UNITS ACQUIRED ON 05/16/12	- 912.85	964.35	51.50	0.00
05/06/13	13.000	COGNIZANT TECH SOLUTIONS CRP COM ACCOUNT NUMBER 51752600 2 0000 UNITS ACQUIRED ON 05/16/12 10 0000 UNITS ACQUIRED ON 05/17/12 1 0000 UNITS ACQUIRED ON 05/18/12	- 781.86	831.65	49.79	0.00
05/08/13	12.000	COGNIZANT TECH SOLUTIONS CRP COM ACCOUNT NUMBER 51752600 12 0000 UNITS ACQUIRED ON 05/18/12	- 718.24	789.22	70.98	0.00
05/09/13	26.000	COGNIZANT TECH SOLUTIONS CRP COM ACCOUNT NUMBER 3025886209 16 0000 UNITS ACQUIRED ON 03/04/11 4 0000 UNITS ACQUIRED ON 03/07/11 4 0000 UNITS ACQUIRED ON 06/07/11 2 0000 UNITS ACQUIRED ON 03/17/11	- 1,971.97	1,722.90	0.00	- 249.07
06/24/13	71.000	COGNIZANT TECH SOLUTIONS CRP COM ACCOUNT NUMBER 3025886209 10 0000 UNITS ACQUIRED ON 03/17/11 6 0000 UNITS ACQUIRED ON 05/03/11 8 0000 UNITS ACQUIRED ON 05/24/11 9 0000 UNITS ACQUIRED ON 06/06/11 10 0000 UNITS ACQUIRED ON 10/07/11 28 0000 UNITS ACQUIRED ON 07/03/12	- 4,769.50	4,575.97	133.02	- 326.55
08/06/13	17.000	COMCAST CORP-SPECIAL CL A ACCOUNT NUMBER 51752600 17 0000 UNITS ACQUIRED ON 02/04/11	- 373.73	749.34	0.00	375.61
11/27/13	24.000	COMCAST CORP-SPECIAL CL A ACCOUNT NUMBER 51752600 24 0000 UNITS ACQUIRED ON 02/04/11	- 527.63	1,136.16	0.00	608.53

149 of 171

THE PRIVATE BANK

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
10/29/13	16.000	DAVITA HEALTHCARE PARTNERS INC ACCOUNT NUMBER 51752600 16 0000 UNITS ACQUIRED ON 02/04/11	- 612.16	893.46	0.00	281.30
10/30/13	12.000	DAVITA HEALTHCARE PARTNERS INC ACCOUNT NUMBER 51752600 12 0000 UNITS ACQUIRED ON 02/04/11	- 459.12	665.48	0.00	206.36
01/30/13	5.000	DEERE & CO ACCOUNT NUMBER 51752600 5 0000 UNITS ACQUIRED ON 04/11/12	- 389.29	468.06	78.77	0.00
01/31/13	3.000	DEERE & CO ACCOUNT NUMBER 51752600 3 0000 UNITS ACQUIRED ON 04/11/12	- 233.58	280.42	46.84	0.00
02/04/13	7.000	DEERE & CO ACCOUNT NUMBER 51752600 4 0000 UNITS ACQUIRED ON 08/18/11	- 513.65	665.69	51.73	100.31
02/05/13	3.000	DEERE & CO ACCOUNT NUMBER 51752600 3 0000 UNITS ACQUIRED ON 08/18/11	- 210.06	282.42	0.00	72.36
02/06/13	3.000	DEERE & CO ACCOUNT NUMBER 51752600 3 0000 UNITS ACQUIRED ON 08/18/11	- 210.06	284.93	0.00	74.87
02/12/13	6.000	DEERE & CO ACCOUNT NUMBER 51752600 6 0000 UNITS ACQUIRED ON 08/18/11	- 420.12	550.75	0.00	130.63
02/13/13	2.000	DEERE & CO ACCOUNT NUMBER 51752600 2 0000 UNITS ACQUIRED ON 08/18/11	- 140.04	185.34	0.00	45.30
02/15/13	6.000	DEERE & CO ACCOUNT NUMBER 51752600 6 0000 UNITS ACQUIRED ON 08/18/11	- 420.12	558.67	0.00	138.55
			420.12			

150 of 171

THE PRIVATE BANK



032834

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013  
Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
02/19/13	3.000	DEERE & CO ACCOUNT NUMBER 51752600 3 0000 UNITS ACQUIRED ON 08/18/11	- 210.06	273.94	0.00	63.88
02/20/13	8.000	DEERE & CO ACCOUNT NUMBER 51752600 8 0000 UNITS ACQUIRED ON 08/18/11	- 560.16	728.09	0.00	167.93
02/21/13	7.000	DEERE & CO ACCOUNT NUMBER 51752600 7 0000 UNITS ACQUIRED ON 08/18/11	- 490.14	631.18	0.00	141.04
06/03/13	357.711	DODGE & COX INT'L STOCK FD #1048 ACCOUNT NUMBER 3025001931 357 7110 UNITS ACQUIRED ON 02/22/11	- 13,038.57	13,500.00	0.00	461.43
07/15/13	790.306	DODGE & COX INT'L STOCK FD #1048 ACCOUNT NUMBER 3025001931 790 3060 UNITS ACQUIRED ON 02/22/11	- 28,806.65	30,000.00	0.00	1,193.35
07/15/13	769.231	EII INTERNATIONAL PROPERTY-I #30 ACCOUNT NUMBER 3025001931 769 2310 UNITS ACQUIRED ON 08/30/11	- 13,084.62	15,000.00	0.00	1,915.38
08/02/13	29.000	ELECTRONIC ARTS INC ACCOUNT NUMBER 51752600 29 0000 UNITS ACQUIRED ON 02/04/11	- 532.43	757.59	0.00	225.16
08/23/13	13.000	ELECTRONIC ARTS INC ACCOUNT NUMBER 51752600 13 0000 UNITS ACQUIRED ON 02/04/11	- 238.68	355.33	0.00	116.65
07/15/13	16.000	FASTENAL CO ACCOUNT NUMBER 3025886209 2 0000 UNITS ACQUIRED ON 11/06/12 5 0000 UNITS ACQUIRED ON 05/16/13 9 0000 UNITS ACQUIRED ON 05/22/13	- 808.60	729.62	- 78.98	0.00

151 of 171

THE PRIVATE BANK

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered: January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** *(continued)*

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
11/27/13	32.000	<b>FASTENAL CO</b>	-1,346.52	1,518.09	0.00	171.57
		ACCOUNT NUMBER 3025886209				
		19 0000 UNITS ACQUIRED ON 09/13/12	81682			
		4 0000 UNITS ACQUIRED ON 11/20/12	165 20			
		9 0000 UNITS ACQUIRED ON 07/03/12	364 50			
06/03/13	76.546	<b>HARBOR INTERNATIONAL FD INST #2011</b>	-4,708.35	5,000.00	0.00	291.65
		ACCOUNT NUMBER 3025001931				
		76 5460 UNITS ACQUIRED ON 02/22/11	4,708 35			
07/15/13	464.037	<b>HARBOR INTERNATIONAL FD INST #2011</b>	-28,542.92	30,000.00	0.00	1,457.08
		ACCOUNT NUMBER 3025001931				
		464 0370 UNITS ACQUIRED ON 02/22/11	28,542 92			
06/03/13	1,243.243	<b>ING REAL ESTATE FUND CL-I #2190</b>	-20,756.08	23,000.00	2,206.90	37.02
		ACCOUNT NUMBER 3025001931				
		1,232 9020 UNITS ACQUIRED ON 06/26/12	20,601 79			
		10 3410 UNITS ACQUIRED ON 08/30/11	154 29			
07/15/13	800.427	<b>ING REAL ESTATE FUND CL-I #2190</b>	-11,942.37	15,000.00	0.00	3,057.63
		ACCOUNT NUMBER 3025001931				
		800 4270 UNITS ACQUIRED ON 08/30/11	11,942 37			
09/13/13	38.000	<b>INTERNATIONAL GAME TECHNOLOGY</b>	-670.73	762.39	91.66	0.00
		ACCOUNT NUMBER 51752600				
		38 0000 UNITS ACQUIRED ON 06/10/13	670 73			
07/12/13	6.000	<b>INTUITIVE SURGICAL INC</b>	-2,974.64	2,497.13	0.00	-477.51
		ACCOUNT NUMBER 3025886209				
		3 0000 UNITS ACQUIRED ON 02/06/12	1,474 61			
		1 0000 UNITS ACQUIRED ON 06/05/12	518 69			
		2 0000 UNITS ACQUIRED ON 02/03/12	981 34			
07/18/13	7.000	<b>INTUITIVE SURGICAL INC</b>	-3,375.27	2,956.71	-165.81	-252.75
		ACCOUNT NUMBER 3025886209				
		3 0000 UNITS ACQUIRED ON 02/02/12	1,451 63			
		1 0000 UNITS ACQUIRED ON 02/03/12	490 67			
		1 0000 UNITS ACQUIRED ON 03/15/13	465 93			
		1 0000 UNITS ACQUIRED ON 03/19/13	480 02			
		1 0000 UNITS ACQUIRED ON 04/29/13	487 02			

152 of 171

THE PRIVATE BANK

032836



Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** *(continued)*

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
01/15/13	4.000	LABORATORY CRP OF AMER HLDGS ACCOUNT NUMBER 51752600 4 0000 UNITS ACQUIRED ON 02/04/11	- 362.48	348.92	0.00	- 13.56
01/16/13	4.000	LABORATORY CRP OF AMER HLDGS ACCOUNT NUMBER 51752600 4 0000 UNITS ACQUIRED ON 02/04/11	- 362.48	345.05	0.00	- 17.43
01/30/13	5.000	LABORATORY CRP OF AMER HLDGS ACCOUNT NUMBER 51752600 5 0000 UNITS ACQUIRED ON 02/04/11	- 453.10	442.21	0.00	- 10.89
07/12/13	17.000	LABORATORY CRP OF AMER HLDGS ACCOUNT NUMBER 51752600 17 0000 UNITS ACQUIRED ON 02/04/11	- 1,540.53	1,631.63	0.00	91.10
07/19/13	17.000	LABORATORY CRP OF AMER HLDGS ACCOUNT NUMBER 51752600 17 0000 UNITS ACQUIRED ON 02/04/11	- 1,531.95	1,652.27	34.87	85.45
01/25/13	53.000	LIFE TECHNOLOGIES CORP ACCOUNT NUMBER 3025886209 53 0000 UNITS ACQUIRED ON 07/03/12	- 2,341.53	3,259.98	918.45	0.00
04/22/13	25.000	LIFE TECHNOLOGIES CORP ACCOUNT NUMBER 3025886209 25 0000 UNITS ACQUIRED ON 07/03/12	- 1,104.50	1,841.75	737.25	0.00
04/25/13	4.000	LIFE TECHNOLOGIES CORP ACCOUNT NUMBER 3025886209 4 0000 UNITS ACQUIRED ON 07/03/12	- 176.72	294.11	117.39	0.00
05/21/13	79.000	LIFE TECHNOLOGIES CORP ACCOUNT NUMBER 3025886209 79 0000 UNITS ACQUIRED ON 07/03/12	- 3,490.21	5,804.70	2,314.49	0.00
			3,490.21			

153 of 171

THE PRIVATE BANK

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
08/05/13	9.000	<b>LINKEDIN CORP</b> ACCOUNT NUMBER 3025886209 1 0000 UNITS ACQUIRED ON 02/28/13 1 0000 UNITS ACQUIRED ON 03/01/13 2 0000 UNITS ACQUIRED ON 05/16/13 3 0000 UNITS ACQUIRED ON 05/22/13 2 0000 UNITS ACQUIRED ON 01/22/13	- 1,489.10	1,827.08	337.98	0.00
10/07/13	6.000	<b>LINKEDIN CORP</b> ACCOUNT NUMBER 3025886209 6 0000 UNITS ACQUIRED ON 01/22/13	- 713.42	1,514.67	801.25	0.00
04/17/13	10.000	<b>MCDONALDS CORP</b> ACCOUNT NUMBER 51752600 8 0000 UNITS ACQUIRED ON 12/18/12 2 0000 UNITS ACQUIRED ON 12/17/12	- 904.06	1,033.78	129.72	0.00
07/09/13	14.000	<b>MEAD JOHNSON NUTRITION CO</b> ACCOUNT NUMBER 3025886209 14 0000 UNITS ACQUIRED ON 07/03/12	- 1,141.14	951.87	- 189.27	0.00
07/10/13	1.000	<b>MEAD JOHNSON NUTRITION CO</b> ACCOUNT NUMBER 3025886209 1 0000 UNITS ACQUIRED ON 07/03/12	- 81.51	68.97	0.00	- 12.54
07/12/13	23.000	<b>MEAD JOHNSON NUTRITION CO</b> ACCOUNT NUMBER 3025886209 23 0000 UNITS ACQUIRED ON 07/03/12	- 1,874.73	1,598.38	0.00	- 276.35
11/25/13	7.000	<b>NATIONAL OILWELL INC COM</b> ACCOUNT NUMBER 3025886209 7 0000 UNITS ACQUIRED ON 09/28/12	- 563.17	583.67	0.00	20.50
06/03/13	673.011	<b>NEUBERGER BERMAN GEN INSTL CL #1229</b> ACCOUNT NUMBER 3025001931 673 0110 UNITS ACQUIRED ON 06/26/12	- 31,173.88	37,244.43	6,070.55	0.00
06/05/13	151.000	<b>NORTEL NETWORKS CORP</b> ACCOUNT NUMBER 3025001931 48 0000 UNITS ACQUIRED ON 05/05/10 103 0000 UNITS ACQUIRED ON 08/18/08	- 2.00	1.20	0.00	- 0.80

154 of 171

THE PRIVATE BANK



032838

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered: January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
06/03/13	1,050.420	OAKMARK INTERNATIONAL FD #109 ACCOUNT NUMBER 3025001931 1,050 4200 UNITS ACQUIRED ON 06/26/12	- 17,342.43	25,000.00	7,657.57	0.00
07/15/13	1,244.297	OAKMARK INTERNATIONAL FD #109 ACCOUNT NUMBER 3025001931 1,244 2970 UNITS ACQUIRED ON 06/26/12	- 20,543.35	30,000.00	0.00	9,456.65
02/28/13	47.000	OCCIDENTAL PETE CORP ACCOUNT NUMBER 3025886209 47 0000 UNITS ACQUIRED ON 07/03/12	- 4,127.54	3,918.27	- 209.27	0.00
04/02/13	11.000	OCCIDENTAL PETE CORP ACCOUNT NUMBER 3025886209 11 0000 UNITS ACQUIRED ON 07/03/12	4,127.54	860.95	- 105.07	0.00
05/09/13	39.000	OCCIDENTAL PETE CORP ACCOUNT NUMBER 3025886209 39 0000 UNITS ACQUIRED ON 07/03/12	- 3,424.97	3,535.54	110.57	0.00
09/04/13	21.000	OCEANEERING INTL INC ACCOUNT NUMBER 3025886209 21 0000 UNITS ACQUIRED ON 07/03/12	- 1,046.22	1,675.70	0.00	629.48
09/30/13	24.000	OCEANEERING INTL INC ACCOUNT NUMBER 3025886209 24 0000 UNITS ACQUIRED ON 07/03/12	- 1,195.68	1,948.83	0.00	753.15
10/10/13	5.000	OCEANEERING INTL INC ACCOUNT NUMBER 3025886209 5 0000 UNITS ACQUIRED ON 07/03/12	- 249.10	410.03	0.00	160.93
07/15/13	293.255	OPPENHEIMER DEVELOPING MKT-Y #788 ACCOUNT NUMBER 3025001931 293 2550 UNITS ACQUIRED ON 05/31/13	- 10,325.50	10,000.00	- 325.50	0.00
07/15/13	1,748.252	PIMCO COMMODITY REAL RET STRAT-#45 ACCOUNT NUMBER 3025001931 948 3870 UNITS ACQUIRED ON 04/10/08 799 8650 UNITS ACQUIRED ON 01/30/12	- 23,655.19	10,000.00	0.00	- 13,655.19

155 of 171

THE PRIVATE BANK

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered: January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**REALIZED GAIN/LOSS DETAIL** *(continued)*

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
06/03/13	3,657.990	PIMCO EMERG MKTS BD-INST #137 ACCOUNT NUMBER 3025001931 3,657 9900 UNITS ACQUIRED ON 06/26/12	- 42,652.17	43,493.50	841.33	0.00
06/03/13	931.966	PIMCO FOREIGN BD FD USD H-INST #103 ACCOUNT NUMBER 3025001931 931 9660 UNITS ACQUIRED ON 06/26/12	- 10,074.55	10,000.00	- 74.55	0.00
07/15/13	566.572	PIMCO FOREIGN BD FD USD H-INST #103 ACCOUNT NUMBER 3025001931 566 5720 UNITS ACQUIRED ON 06/26/12	- 6,124.64	6,000.00	0.00	- 124.64
07/15/13	2,835.539	PIMCO MODERATE DURATION-INST #120 ACCOUNT NUMBER 3025001931 2,835 5390 UNITS ACQUIRED ON 06/26/12	- 30,879.02	30,000.00	0.00	- 879.02
07/15/13	1,788.618	PIMCO REAL RETURN FUND-INST #122 ACCOUNT NUMBER 3025001931 1,788 6180 UNITS ACQUIRED ON 06/26/12	- 22,000.00	20,032.52	0.00	- 1,967.48
07/15/13	1,862.197	PIMCO TOTAL RET FD-INST #35 ACCOUNT NUMBER 3025001931 1,862 1970 UNITS ACQUIRED ON 08/13/08	- 19,683.42	20,000.00	0.00	316.58
07/15/13	1.000	PRICELINE COM INC ACCOUNT NUMBER 3025886209 1 0000 UNITS ACQUIRED ON 07/03/12	- 688.54	888.22	0.00	199.68
11/25/13	54.000	QUALCOMM INC ACCOUNT NUMBER 3025886209 54 0000 UNITS ACQUIRED ON 07/03/12	- 3,040.19	3,864.81	0.00	824.62
06/03/13	1,646.933	ROYCE PREMIER FUND W CLASS #566 ACCOUNT NUMBER 3025001931 1,257 3350 UNITS ACQUIRED ON 04/14/09 389 5980 UNITS ACQUIRED ON 09/08/08	- 21,677.71	34,618.53	0.00	12,940.82
07/17/13	77.000	SCHWAB CHARLES CORP NEW ACCOUNT NUMBER 3025886209 77 0000 UNITS ACQUIRED ON 07/03/12	- 1,001.76	1,665.29	0.00	663.53

156 of 171

THE PRIVATE BANK



032840



Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013

Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
08/26/13	19.000	SILVER WHEATON CORP ACCOUNT NUMBER 3025886209 2 0000 UNITS ACQUIRED ON 02/28/13 17 0000 UNITS ACQUIRED ON 07/03/12	- 547.74	509.03	- 11.36	- 27.35
10/30/13	33.000	STARBUCKS CORP COM ACCOUNT NUMBER 3025886209 1 0000 UNITS ACQUIRED ON 11/06/12 6 0000 UNITS ACQUIRED ON 02/28/13 4 0000 UNITS ACQUIRED ON 03/01/13 6 0000 UNITS ACQUIRED ON 03/19/13 9 0000 UNITS ACQUIRED ON 04/16/13 5 0000 UNITS ACQUIRED ON 05/22/13 1 0000 UNITS ACQUIRED ON 08/01/13 1 0000 UNITS ACQUIRED ON 09/13/12	- 1,920.09	2,629.29	681.15	28.05
03/19/13	186.000	TD AMERITRADE HLDG CORP ACCOUNT NUMBER 51752600 50 0000 UNITS ACQUIRED ON 02/04/11 131 0000 UNITS ACQUIRED ON 03/28/11 5 0000 UNITS ACQUIRED ON 06/09/11	- 3,844.88	3,928.64	0.00	83.76
05/02/13	42.000	TRAVELERS COMPANIES, INC ACCOUNT NUMBER 51752600 42 0000 UNITS ACQUIRED ON 02/04/11	- 2,415.41	3,569.09	0.00	1,153.68
09/18/13	13.000	UNITEDHEALTH GROUP INC ACCOUNT NUMBER 51752600 13 0000 UNITS ACQUIRED ON 03/25/13	- 715.20	971.99	256.79	0.00
11/14/13	18.000	VENTAS INC COM ACCOUNT NUMBER 51752600 18 0000 UNITS ACQUIRED ON 02/04/11	- 966.41	1,104.81	0.00	138.40
12/03/13	10.000	VENTAS INC COM ACCOUNT NUMBER 51752600 10 0000 UNITS ACQUIRED ON 02/04/11	- 536.90	572.32	0.00	35.42
12/05/13	18.000	VENTAS INC COM ACCOUNT NUMBER 51752600 18 0000 UNITS ACQUIRED ON 02/04/11	- 966.41	1,014.27	0.00	47.86

157 of 171

THE PRIVATE BANK

Account Statement For:  
CHALLENGE CMBST CONSOLIDATED

Period Covered January 1, 2013 - December 31, 2013  
Consolidated Account Number M02536

**WELLS  
FARGO**

**REALIZED GAIN/LOSS DETAIL** (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
12/09/13	36.000	VENTAS INC COM ACCOUNT NUMBER 51752600 36 0000 UNITS ACQUIRED ON 02/04/11	- 1,932.83	2,023.74	0.00	90.91
07/22/13	8.000	VISA INC-CLASS A SHRS ACCOUNT NUMBER 51752600 8 0000 UNITS ACQUIRED ON 02/04/11	- 581.36	1,511.75	0.00	930.39
07/15/13	475.059	WELLS FARGO ADV EMG MK E-INS #4146 ACCOUNT NUMBER 3025001931 475 0590 UNITS ACQUIRED ON 05/31/13	- 10,460.80	10,000.00	- 460.80	0.00
06/03/13	892.061	WELLS FARGO ADV INTL BOND-IS #4705 ACCOUNT NUMBER 3025001931 892 0610 UNITS ACQUIRED ON 06/26/12	- 9,955.40	10,000.00	44.60	0.00
07/15/13	548.446	WELLS FARGO ADV INTL BOND-IS #4705 ACCOUNT NUMBER 3025001931 548 4460 UNITS ACQUIRED ON 06/26/12	- 6,120.66	6,000.00	0.00	- 120.66
Total This Period			- \$548,497.25	\$623,917.96	\$30,057.39	\$45,363.32

Gain/Loss information is un-audited and should not be used for tax preparation, estate and/or retirement planning purposes

**CASH SWEEP ACTIVITY DETAIL**

DATE	QUANTITY	DESCRIPTION	PRINCIPAL CASH	INCOME CASH	COST BASIS
Purchases					
01/02/13	2,067.70	FEDERATED TREAS OBL FD 68			\$2,067.70
01/02/13	3,214.08	FEDERATED TREAS OBL FD 68	- \$2,067.70	- 3,214.08	3,214.08
01/02/13	0.06	FEDERATED TREAS OBL FD 68		- 0.06	0.06
01/02/13	63.85	FEDERATED TREAS OBL FD 68		- 63.85	63.85
01/03/13	100.30	FEDERATED TREAS OBL FD 68		- 100.30	100.30
01/03/13	30.30	FEDERATED TREAS OBL FD 68		- 30.30	30.30
01/04/13	2,137.60	FEDERATED TREAS OBL FD 68		- 2,137.60	2,137.60
01/14/13	36.03	FEDERATED TREAS OBL FD 68		- 36.03	36.03
01/15/13	22.09	FEDERATED TREAS OBL FD 68	- 22.09		22.09
01/15/13	9.45	FEDERATED TREAS OBL FD 68		- 9.45	9.45
01/23/13	40.15	FEDERATED TREAS OBL FD 68		- 40.15	40.15
					<b>158 of 171</b>

THE PRIVATE BANK



032842

- 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. <b>THE CHALLENGE FOUNDATION C/O HABIF, AROGETI &amp; WYNNE, LLP</b>	Employer identification number (EIN) or <b>58-1817816</b>
	Number, street, and room or suite no. If a P.O. box, see instructions <b>FIVE CONCOURSE PARKWAY, NO. 1000</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions <b>ATLANTA, GA 30328</b>	

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.**

**HABIF, AROGETI & WYNNE, LLP**

- The books are in the care of **FIVE CONCOURSE PARKWAY, SUITE 1000 - ATLANTA, GA 30328**  
Telephone No **404-892-9651** 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 NEEDED TO PREPARE A COMPLETE AND ACCURATE RETURN**

<b>8a</b> 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.	<b>8a</b>	\$	<b>31,440.</b>
<b>b</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.	<b>8b</b>	\$	<b>31,440.</b>
<b>c Balance due.</b> Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	<b>8c</b>	\$	<b>0.</b>

**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 ►

Title ►

Date ►

Form 8868 (Rev. 1-2014)

• 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	Employer identification number (EIN) or
	THE CHALLENGE FOUNDATION C/O HABIF, AROGETI & WYNNE, LLP	58-1817816
	Number, street, and room or suite no. If a P O box, see instructions.	Social security number (SSN)
	FIVE CONCOURSE PARKWAY, NO. 1000	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	ATLANTA, GA 30328	

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

04

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.**

HABIF, AROGETI & WYNNE, LLP

• The books are in the care of ☒ FIVE CONCOURSE PARKWAY, SUITE 1000 - ATLANTA, GA 30328  
Telephone No ☒ 404-892-9651 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 NEEDED TO PREPARE 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	\$	31,440.
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	\$	31,440.
c <b>Balance due.</b> 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 ☐

Title ☐

Date ☐