Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

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

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation: THE ROSENTHAL FOUNDATION, INC

A Employer identification number: 61-1161776

Number and street (or P O box number if mail is not delivered to street address): P. O. BOX 54826 — Room/suite:

B Telephone number: 859-299-1291

City or town, state or province, country, and ZIP or foreign postal code: LEXINGTON, KY 40555

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

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

D 1 Foreign organizations, check here ▶ [ ]

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

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

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

I Fair market value of all assets at end of year (*from Part II, col. (c), line 16*) ▶$ 811,132.

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

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

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

		(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	246.	246.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<19,209.>			
	b Gross sales price for all assets on line 6a 415,371.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	<18,963.>	246.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees				
	c Other professional fees STMT 2	707.	0.		0.
	17 Interest				
	18 Taxes STMT 3	6,176.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 4	199.	0.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	7,082.	0.		0.
	25 Contributions, gifts, grants paid	364,000.			364,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	371,082.	0.		364,000.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	<390,045.>			
	b **Net investment income** (if negative, enter -0-)		246.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	5,828.	13,258.	13,258.
	2 Savings and temporary cash investments	243.		
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less. allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations			
	b Investments - corporate stock	397,290.		
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 5	1,211,335.	1,211,335.	797,874.
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	1,614,696.	1,224,593.	811,132.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ MARGIN LOAN)	58.	0.	
	23 Total liabilities (add lines 17 through 22)	58.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	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	1,614,638.	1,224,593.	
	30 Total net assets or fund balances	1,614,638.	1,224,593.	
	31 Total liabilities and net assets/fund balances	1,614,696.	1,224,593.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,614,638.
2	Enter amount from Part I, line 27a	2	<390,045.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,224,593.
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	1,224,593.

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	SEE ATTACHED STATEMENTS			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	415,371.		434,580.	<19,209.>

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				<19,209.>

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 <19,209.>

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	1,985,948.	1,087,555.	1.826067
2011	774,656.	2,667,792.	.290373
2010	624,973.	3,896,362.	.160399
2009	0.	3,550,297.	.000000
2008	400,000.	3,280,155.	.121945

2	Total of line 1, column (d)	2	2.398784
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	.479757
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	970,083.
5	Multiply line 4 by line 3	5	465,404.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2.
7	Add lines 5 and 6	7	465,406.
8	Enter qualifying distributions from Part XII, line 4	8	364,000.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ **(attach copy of letter if necessary-see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	5.
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	5.
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	5.
6	Credits/Payments.				
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	5,000.		
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	5,000.
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	4,995.
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶	1,000.	**Refunded** ▶	11	3,995.

Part VII-A Statements Regarding Activities

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

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

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

Website address ▶ N/A

14 The books are in care of ▶ WARREN W ROSENTHAL Telephone no ▶859-299-1291

Located at ▶1811 WINCHESTER, LEXINGTON, KY ZIP+4 ▶40505

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

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

		Line	Yes	No
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1. If "Yes," enter the name of the foreign country ▶			

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

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

			Line	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?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception**. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ______ , ______ , ______ , ______				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______ , ______ , ______ , ______				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2013 as a result of (**1**) any purchase by the foundation or disqualified persons after May 26, 1969, (**2**) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (**3**) the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?		4b		X

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

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

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

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ 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
WARREN W ROSENTHAL 1811 WINCHESTER ROAD LEXINGTON, KY 40505	PRESIDENT/ MANAGER 1.00	0.	0.	0.

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

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

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

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

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

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

Part IX-A **Summary of Direct Charitable Activities**

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

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	0.
2	
All other program-related investments See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities		1a	155,551.
b	Average of monthly cash balances		1b	31,431.
c	Fair market value of all other assets		1c	797,874.
d	**Total** (add lines 1a, b, and c)		1d	984,856.
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	984,856.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	14,773.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	970,083.
6	**Minimum investment return** Enter 5% of line 5		6	48,504.

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	48,504.
2a	Tax on investment income for 2013 from Part VI, line 5	2a 5.		
b	Income tax for 2013 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	5.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	48,499.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	48,499.
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	48,499.

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	364,000.
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	364,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	364,000.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				48,499.
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 240,437.				
b From 2009				
c From 2010 431,399.				
d From 2011 648,826.				
e From 2012 1,941,492.				
f **Total** of lines 3a through e	3,262,154.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 364,000.				
a Applied to 2012, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2013 distributable amount				48,499.
e Remaining amount distributed out of corpus	315,501.			
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	3,577,655.			
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	240,437.			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a	3,337,218.			
10 Analysis of line 9				
a Excess from 2009				
b Excess from 2010 431,399.				
c Excess from 2011 648,826.				
d Excess from 2012 1,941,492.				
e Excess from 2013 315,501.				

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

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

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

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

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

1 **Information Regarding Foundation Managers:**

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

WARREN W ROSENTHAL

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution **	Amount
a Paid during the year				
ALZEHEIMER'S ASSOCIATION AMERICAN PO BOX 96011 WASHINGTON, DC 20090		501 C(3)	MEDICAL RESEARCH FOR ALZEHEIMER'S DISEASE	1,100.
AMERICAN RED CROSS BG CHAPTER 1450 NEWTOWN PIKE LEXINGTON, KY 40511		501 C(3)	DISASTER RELIEF AID	100.
AMERICAN SOCIETY FOR YAD VASHEM P O BOX 170305 MILWAUKEE, WI 53217		501 C(3)	EDUCATION	1,000.
B'NAI B'RITH INT P O BOX 170305 MILWAUKEE, WI 53217		501 C(3)	EDUCATION	100.
BOY SCOUTS OF AMERICA 3473 YORKSHIRE MEDICAL PARK LEXINGTON, KY 40509		501 C(3)	YOUTH EDUCATIONAL SERVICES	400.
Total SEE CONTINUATION SHEET(S)			▶ 3a	364,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

** SEE PURPOSE OF GRANT CONTINUATIONS

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	246.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					<19,209.>
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		246.	<19,209.>

13 Total. Add line 12, columns (b), (d), and (e) 13 <18,963.>

(See worksheet in line 13 instructions to verify calculations)

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

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

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

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

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

[signature] 5/14/14

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
RONALD P. FERRO, CPA	RONALD P. FERRO,	5/13/14		P00539355
Firm's name ▶ WELENKEN CPAS			Firm's EIN ▶ 61-0484308	
Firm's address ▶ 730 WEST MARKET STREET LOUISVILLE, KY 40202-2757			Phone no (502) 585-3251	

Form 990-PF (2013)

323622 10-10-13

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	INVESCO BALANCED RISK ALLOCATION Y CUSIP: 00141V6	P	03/05/13	05/06/13
b	INVESCO BALANCED RISK ALLOCATION Y CUSIP: 00141V6	P	VARIOUS	11/05/13
c	AQR DIVERSIFIED ARBITRAGE CUSIP: 00203H602 SYMBOL	P	VARIOUS	11/05/13
d	AQR RISK PARITY FUND I CUSIP: 00203H826 SYMBOL: A	P	07/18/12	03/05/13
e	AQR RISK PARITY FUND I CUSIP: 00203H826 SYMBOL: A	P	07/18/12	05/06/13
f	AQR RISK PARITY FUND I CUSIP: 00203H826 SYMBOL: A	P	VARIOUS	11/05/13
g	ABERDEEN FUNDS EQ LONG-SHORT FD CL A CUSIP: 00302	P	VARIOUS	11/05/13
h	ADVISORS INNER CIRCLE FDS CLARION LONG/SHORT INST	P	VARIOUS	11/05/13
i	ARBITRAGE FDS COM CUSIP: 03875R106 SYMBOL: ARBFX	P	VARIOUS	11/05/13
j	BLACKROCK EMERGING MKTS LONG/SHORT EQ A CUSIP: 09	P	07/18/12	03/05/13
k	BLACKROCK EMERGING MKTS LONG/SHORT EQ A CUSIP: 09	P	07/18/12	05/06/13
l	BLACKROCK EMERGING MKTS LONG/SHORT EQ A CUSIP: 09	P	VARIOUS	11/05/13
m	BLACKROCK GLOBAL LONG/SHORT CREDIT INSTL CUSIP: 0	P	VARIOUS	11/05/13
n	EATON VANCE PARAMTC ABS RTN INSTL/ CUSIP: 2779052	P	VARIOUS	11/05/13
o	FPA CRESCENT PORTFOLIO CUSIP: 30254T759 SYMBOL: F	P	VARIOUS	11/05/13

	(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	1,605.		1,612.	<7.>
b	3,047.		3,057.	<10.>
c	1,425.		1,457.	<32.>
d	2,199.		2,188.	11.
e	1,700.		1,626.	74.
f	1,815.		1,788.	27.
g	1,532.		1,502.	30.
h	3,128.		3,088.	40.
i	1,518.		1,515.	3.
j	1,889.		1,889.	0.
k	1,626.		1,599.	27.
l	1,396.		1,374.	22.
m	3,003.		3,036.	<33.>
n	2,941.		3,083.	<142.>
o	1,584.		1,510.	74.

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col. (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				<7.>
b				<10.>
c				<32.>
d				11.
e				74.
f				27.
g				30.
h				40.
i				3.
j				0.
k				27.
l				22.
m				<33.>
n				<142.>
o				74.

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	
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	

323591
05-01-13

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	FRANKLIN STRAT INC FD ADV CUSIP: 354713737 SYMBOL	P	VARIOUS	11/05/13
b	PYXIS LONG/SHORT EQUITY A CUSIP: 430070201 SYMBOL	P	VARIOUS	11/05/13
c	HIGHLAND LONG/SHORT HEALTHCARE A CUSIP: 430101808	P	07/18/12	03/05/13
d	INVT MNGRS SERIES TR 361 MANAGED FUTURES FUND CL	P	07/18/12	03/05/13
e	INVT MNGRS SERIES TR 361 MANAGED FUTURES FUND CL	P	07/18/12	05/06/13
f	INVT MNGRS SERIES TR 361 MANAGED FUTURES FUND CL	P	VARIOUS	11/05/13
g	LEGG MASON BW ABSOLUTE RET OPP I CUSIP: 524686672	P	VARIOUS	11/05/13
h	CLEARBRIDGE PERMAL ALTERNATIVE CORE A CUSIP: 5247	P	VARIOUS	11/05/13
i	MAINSTAY FUNDS MARKETFIELD FUND CL I CUSIP: 56064	P	07/18/12	03/05/13
j	MAINSTAY FUNDS MARKETFIELD FUND CL I CUSIP: 56064	P	07/18/12	05/06/13
k	MAINSTAY FUNDS MARKETFIELD FUND CL I CUSIP: 56064	P	VARIOUS	11/05/13
l	MERGER FD SH BEN INT CUSIP: 589509108 SYMBOL: MER	P	VARIOUS	11/05/13
m	NORTHERN LIGHTS LONGBOARD MANAGED FUT STRAT I CUS	P	03/05/13	05/06/13
n	NORTHERN LIGHTS LONGBOARD MANAGED FUT STRAT I CUS	P	03/05/13	08/22/13
o	PIMCO FDS ALL ASSET ALL AUTH FD INSTL CUSIP: 7220	P	07/18/12	03/05/13

	(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	1,638.		1,610.	28.
b	1,526.		1,419.	107.
c	4,924.		5,125.	<201.>
d	1,897.		1,920.	<23.>
e	1,602.		1,581.	21.
f	1,276.		1,307.	<31.>
g	2,975.		3,048.	<73.>
h	1,621.		1,577.	44.
i	2,333.		2,145.	188.
j	1,682.		1,527.	155.
k	1,355.		1,330.	25.
l	1,490.		1,469.	21.
m	1,611.		1,636.	<25.>
n	1,491.		1,616.	<125.>
o	2,274.		2,208.	66.

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

	(i) F.M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				28.
b				107.
c				<201.>
d				<23.>
e				21.
f				<31.>
g				<73.>
h				44.
i				188.
j				155.
k				25.
l				21.
m				<25.>
n				<125.>
o				66.

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	
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	

323591
05-01-13

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	PIMCO FDS ALL ASSET ALL AUTH FD INSTL CUSIP: 7220	P	07/18/12	05/06/13
b	PIMCO FDS ALL ASSET ALL AUTH FD INSTL CUSIP: 7220	P	VARIOUS	11/05/13
c	PUTNAM FUNDS ABSOLUTE RETURN 700 A CUSIP: 7467643	P	VARIOUS	11/05/13
d	TFS CAPITAL FDS MARKET NEUTRAL FD CUSIP: 87240710	P	07/18/12	03/05/13
e	TFS CAPITAL FDS MARKET NEUTRAL FD CUSIP: 87240710	P	07/18/12	05/06/13
f	TFS CAPITAL FDS MARKET NEUTRAL FD CUSIP: 87240710	P	08/22/13	11/05/13
g	TFS CAPITAL FDS HEDGED FUTURES FUND CUSIP: 872407	P	07/18/12	03/05/13
h	TFS CAPITAL FDS HEDGED FUTURES FUND CUSIP: 872407	P	07/18/12	05/06/13
i	TFS CAPITAL FDS HEDGED FUTURES FUND CUSIP: 872407	P	12/10/12	08/22/20
j	AQR RISK PARITY FUND I CUSIP: 00203H826 SYMBOL: A	P	07/18/12	11/05/13
k	BLACKROCK EMERGING MKTS LONG/SHORT EQ A CUSIP: 09	P	07/18/12	11/05/13
l	FPA CRESCENT PORTFOLIO CUSIP: 30254T759 SYMBOL: F	P	07/03/12	11/05/13
m	FRANKLIN STRAT INC FD ADV CUSIP: 354713737 SYMBOL	P	VARIOUS	11/05/13
n	INVT MNGRS SERIES TR 361 MANAGED FUTURES FUND CL	P	07/18/12	11/05/13
o	CLEARBRIDGE PERMAL ALTERNATIVE CORE A CUSIP: 5247	P	VARIOUS	11/05/13

	(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	1,631.		1,579.	52.
b	1,774.		1,755.	19.
c	1,426.		1,404.	22.
d	2,087.		2,014.	73.
e	1,593.		1,564.	29.
f	1,398.		1,413.	<15.>
g	1,697.		1,809.	<112.>
h	1,565.		1,704.	<139.>
i	98.		106.	<8.>
j	1,276.		1,312.	<36.>
k	1,666.		1,638.	28.
l	175.		147.	28.
m	531.		524.	7.
n	1,695.		1,624.	71.
o	448.		393.	55.

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

	(i) F M V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				52.
b				19.
c				22.
d				73.
e				29.
f				<15.>
g				<112.>
h				<139.>
i				<8.>
j				<36.>
k				28.
l				28.
m				7.
n				71.
o				55.

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	
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	

323591
05-01-13

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	MAINSTAY FUNDS MARKETFIELD FUND CL I CUSIP: 56064	P	07/18/12	11/05/13
b	PIMCO FDS ALL ASSET ALL AUTH FD INSTL CUSIP: 7220	P	VARIOUS	11/05/13
c	TFS CAPITAL FDS MARKET NEUTRAL FD CUSIP: 87240710	P	07/18/12	11/05/13
d	TFS CAPITAL FDS HEDGED FUTURES FUND CUSIP: 872407	P	07/18/12	08/22/13
e	ABERDEEN FUNDS EQ LONG-SHORT	P	03/29/10	03/05/13
f	ABERDEEN FUNDS EQ LONG-SHORT	P	03/29/10	05/06/13
g	ABERDEEN FUNDS EQ LONG-SHORT	P	03/29/10	11/05/13
h	ABERDEEN FUNDS EQ LONG-SHORT	P	12/21/11	11/05/13
i	AQR FUNDS DIVERSIFIED ARBITRAGE	P	09/13/10	03/05/13
j	AQR FUNDS DIVERSIFIED ARBITRAGE	P	09/13/10	05/06/13
k	AQR FUNDS DIVERSIFIED ARBITRAGE	P	09/13/10	11/05/13
l	AQR FUNDS DIVERSIFIED ARBITRAGE	P	12/20/10	11/05/13
m	AQR FUNDS DIVERSIFIED ARBITRAGE	P	12/20/10	11/05/13
n	AQR FUNDS DIVERSIFIED ARBITRAGE	P	12/19/11	11/05/13
o	AQR FUNDS DIVERSIFIED ARBITRAGE	P	12/19/11	11/05/13

	(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	1,725.		1,454.	271.
b	1,327.		1,385.	<58.>
c	1,609.		1,548.	61.
d	1,445.		1,612.	<167.>
e	2,268.		2,162.	106.
f	1,709.		1,606.	103.
g	1,487.		1,381.	106.
h	167.		152.	15.
i	1,972.		1,990.	<18.>
j	1,615.		1,630.	<15.>
k	796.		791.	5.
l	50.		49.	1.
m	179.		178.	1.
n	130.		127.	3.
o	391.		382.	9.

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

	(i) F.M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				271.
b				<58.>
c				61.
d				<167.>
e				106.
f				103.
g				106.
h				15.
i				<18.>
j				<15.>
k				5.
l				1.
m				1.
n				3.
o				9.

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	
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	

323591
05-01-13

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	ARBITRAGE FDS COM	P	03/29/10	03/05/13
b	ARBITRAGE FDS COM	P	03/29/10	05/06/13
c	ARBITRAGE FDS COM	P	03/29/10	11/05/13
d	ARBITRAGE FDS COM	P	12/19/11	11/05/13
e	ARBITRAGE FDS COM	P	12/19/11	11/05/13
f	FPA CRESCENT	P	03/29/10	03/05/13
g	FPA CRESCENT	P	03/29/10	05/06/13
h	FPA CRESCENT	P	03/29/10	11/05/13
i	FPA CRESCENT	P	07/05/11	11/05/13
j	FPA CRESCENT	P	07/05/11	11/05/13
k	FPA CRESCENT	P	12/21/11	11/05/13
l	FPA CRESCENT	P	12/21/11	11/05/13
m	FRANKLIN STRATEGIC INCOME	P	03/29/10	03/05/13
n	FRANKLIN STRATEGIC INCOME	P	03/29/10	05/06/13
o	FRANKLIN STRATEGIC INCOME	P	12/31/10	05/06/13

	(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	1,895.		1,949.	<54.>
b	1,610.		1,664.	<54.>
c	1,168.		1,195.	<27.>
d	3.		3.	0.
e	331.		337.	<6.>
f	2,535.		2,194.	341.
g	1,722.		1,434.	288.
h	755.		595.	160.
i	28.		24.	4.
j	146.		125.	21.
k	74.		60.	14.
l	348.		282.	66.
m	2,257.		2,151.	106.
n	1,556.		1,461.	95.
o	74.		71.	3.

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				<54.>
b				<54.>
c				<27.>
d				0.
e				<6.>
f				341.
g				288.
h				160.
i				4.
j				21.
k				14.
l				66.
m				106.
n				95.
o				3.

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	
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	

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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	FRANKLIN STRATEGIC INCOME	P	02/02/11	05/06/13
b	FRANKLIN STRATEGIC INCOME	P	02/02/11	11/05/13
c	FRANKLIN STRATEGIC INCOME	P	03/02/11	11/05/13
d	FRANKLIN STRATEGIC INCOME	P	04/04/11	11/05/13
e	FRANKLIN STRATEGIC INCOME	P	05/03/11	11/05/13
f	FRANKLIN STRATEGIC INCOME	P	06/02/11	11/05/13
g	FRANKLIN STRATEGIC INCOME	P	07/05/11	11/05/13
h	FRANKLIN STRATEGIC INCOME	P	08/02/11	11/05/13
i	FRANKLIN STRATEGIC INCOME	P	09/02/11	11/05/13
j	FRANKLIN STRATEGIC INCOME	P	09/30/11	11/05/13
k	FRANKLIN STRATEGIC INCOME	P	11/01/11	11/05/13
l	FRANKLIN STRATEGIC INCOME	P	12/01/11	11/05/13
m	FRANKLIN STRATEGIC INCOME	P	12/30/11	11/05/13
n	HIGHLAND LONG/SHORT EQUITY A	P	03/29/10	03/05/13
o	HIGHLAND LONG/SHORT EQUITY A	P	03/29/10	05/06/13

	(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	26.		25.	1.
b	45.		45.	0.
c	68.		67.	1.
d	71.		70.	1.
e	69.		69.	0.
f	69.		70.	<1.>
g	70.		70.	0.
h	70.		70.	0.
i	72.		71.	1.
j	71.		67.	4.
k	108.		105.	3.
l	115.		109.	6.
m	112.		107.	5.
n	1,983.		1,888.	95.
o	1,672.		1,571.	101.

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				1.
b				0.
c				1.
d				1.
e				0.
f				<1.>
g				0.
h				0.
i				1.
j				4.
k				3.
l				6.
m				5.
n				95.
o				101.

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	
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	

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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	HIGHLAND LONG/SHORT EQUITY A	P	03/29/10	11/05/13
b	HIGHLAND LONG/SHORT EQUITY A	P	03/15/11	11/05/13
c	HIGHLAND LONG/SHORT EQUITY A	P	12/15/11	11/05/13
d	LEGG MASON PERMAL TACTICAL ALLOCATION	P	03/29/10	03/05/13
e	LEGG MASON PERMAL TACTICAL ALLOCATION	P	03/29/10	05/06/13
f	LEGG MASON PERMAL TACTICAL ALLOCATION	P	03/29/10	11/05/13
g	LEGG MASON PERMAL TACTICAL ALLOCATION	P	12/29/10	11/05/13
h	MERGER FD	P	03/29/10	03/05/13
i	MERGER FD	P	03/29/10	05/06/13
j	MERGER FD	P	03/29/10	11/05/13
k	MERGER FD	P	12/29/10	11/05/13
l	MERGER FD	P	12/29/11	11/05/13
m	MERGER FD	P	12/29/11	11/05/13
n	NORTHERN LIGHTS HEDGE	P	11/29/10	03/05/13
o	NORTHERN LIGHTS HEDGE	P	12/29/10	03/05/13

	(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	1,478.		1,237.	241.
b	108.		92.	16.
c	106.		87.	19.
d	2,442.		2,225.	217.
e	1,694.		1,508.	186.
f	616.		551.	65.
g	401.		376.	25.
h	1,970.		1,975.	<5.>
i	1,646.		1,636.	10.
j	840.		818.	22.
k	278.		270.	8.
l	82.		79.	3.
m	365.		350.	15.
n	3,921.		4,119.	<198.>
o				0.

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a				241.
b				16.
c				19.
d				217.
e				186.
f				65.
g				25.
h				<5.>
i				10.
j				22.
k				8.
l				3.
m				15.
n				<198.>
o				0.

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	
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	

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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	NORTHERN LIGHTS HEDGE	P	12/29/10	03/05/13
b	NORTHERN LIGHTS HEDGE	P	12/29/11	03/05/13
c	NORTHERN LIGHTS HEDGE	P	12/29/11	03/05/13
d	NORTHERN LIGHTS HEDGE	P	12/29/11	03/05/13
e	PUTNAM ABSOLUTE RETURN 700	P	03/29/10	03/05/13
f	PUTNAM ABSOLUTE RETURN 700	P	03/29/10	05/06/13
g	PUTNAM ABSOLUTE RETURN 700	P	03/29/10	11/05/13
h	PUTNAM ABSOLUTE RETURN 700	P	12/27/11	11/05/13
i	OFFICE SUITES PLUS	P	VARIOUS	05/10/13
j	TD AMERITRADE CAP GAIN DISTR	P		
k				
l				
m				
n				
o				

	(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	465.		486.	<21.>
b	1.		1.	0.
c	2.		2.	0.
d	519.		531.	<12.>
e	2,064.		1,954.	110.
f	1,690.		1,564.	126.
g	993.		927.	66.
h	637.		568.	69.
i	277,666.		300,000.	<22,334.>
j	231.			231.
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
	(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				<21.>
b				0.
c				0.
d				<12.>
e				110.
f				126.
g				66.
h				69.
i				<22,334.>
j				231.
k				
l				
m				
n				
o				

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	<19,209.>
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

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
CHILD DEVELOPMENT CENTERS OF THE BLUEGRASS 465 SPRINGHILL DRIVE LEXINGTON, KY 40503		501 C(3)	PROVIDES EARLY INTERVENTION AND THERAPY SERVICES	20,000.
CHILDRENS CHARITIES OF THE BLUEGRASS P.O. BOX 910605 LEXINGTON, KY 40591		501 C(3)	BENEFIT LOCAL CHARITABLE ORGANIZATIONS WHICH HAVE AS GOAL TO PROVIDE BENEFITS TO	10,000.
GOD'S PANTRY FOOD BANK 1685 JAGGIE FOX WAY LEXINGTON, KY 40511		501 C(3)	FEED THE HUNGRY	5,100.
HADASSAH 50 WEST 58 ST NEW YORK, NY 10019		501 C(3)	EDUCATION	1,000.
HOPE CENTER 360 WEST LOUDON LEXINGTON, KY 40508		501 C(3)	LIVING ASSISTANCE FOR HOMELESS	1,000.
HOSPICE OF BLUEGRASS 2312 ALEXANDRIA DRIVE LEXINGTON, KY 40504		501 C(3)	CARE FOR THE TERMINALLY ILL	300.
JUNIOR ACHIEVEMENT 1092 DUVAL ST STE 240 LEXINGTON, KY 40515		501 C(3)	PREPARING THE WORKFORCE OF THE FUTURE	1,250.
KEEP 4047 IRON WORKS PKWY LEXINGTON, KY 40511		501 C(3)	PROMOTE JOBS & ECNOMIC OPPORTUNITIES FOR HORSE INDUSTRY	500.
KENTUCKY EDUCATIONAL TELEVISION 560 COOPER DRIVE LEXINGTON, KY 40502		501 C(3)	PUBLIC TV -	1,000.
KENTUCKY HISTORICAL SOCIETY 100 WEST BROADWAY FRANKFORT, KY 40601		501 C(3)	COLLECTING, PRESERVING AND CONVEYING THE HISTORY OF KENTUCKY	21,000.
Total from continuation sheets				361,300.

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
KENTUCKY HORSE PARK FOUNDATION 1089 IRON WORKS PARKWAY LEXINGTON, KY 40511		501 C(3)	SUPPORT HORSE INDUSTRY	500.
KENUCKY COLONELS 1717 ALLIANT AVE SUITE 14 LOUISVILLE, KY 40502		501 C(3)	PROVIDES FINANCIAL SUPPORT TO KENTUCKY CHARITABLE ORGANIZATIONS	200.
LEXINGTON DREAM FACTORY 4775 SCENICVIEW RD LEXINGTON, KY 40514		501 C(3)	HOPE FOR CHILDREN WITH THREATENING ILLNESSES	100.
LEXINGTON HISTORY MUSEUM PO BOX 116 LEXINGTON, KY 40588		501 C(3)	COLLECTING, PRESERVING AND CONVEYING THE HISTORY OF LEXINGTON	1,500.
LEXINGTON HUMANE SOCIETY 1600 OLD FRANKFORT PIKE LEXINGTON, KY 40504		501 C(3)	PREVENT ANIMAL CRUELTY	200.
OMICRON DELTA KAPPA FOUNDATION 224 MCLAUGHLIN ST LEXINGTON, VA 24450		501 C(3)	EDUCATION	50.
PIONEER PLAYHOUSE 840 STANFORD RD DANVILLE, KY 40422		501 C(3)	PRESERVATION OF THE ARTS	5,000.
PRITCHARD COMMITTEE PO BOX 1658 LEXINGTON, KY 40588		501 C(3)	EDUCATION	6,000.
ROTARY CLUB OF LEXINGTON 401 W MAIN ST LEXNGTON, KY 40507		501 C(3)	SUPPORT FOR COMMUNITY PROJECTS	100.
SANTA'S KIDS P O BOX 1124 GEORGETOWN, KY 40324		501 C(3)	GIFTS FOR CHILDREN	100.
Total from continuation sheets				

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
SHRINER'S HOSPITALS FOR CHILDREN P O BOX 1510 RANSON, WV 25438		501 C(3)	MEDICAL ASSITANCE FOR CHILDREN	750.
SPECIAL OLYMPICS P. O. BOX 284-0 FRANKFORT, KY 40601		501 C(3)	AID DISABLED	550.
TEMPLE ADATH ISRAEL 124 ASHLAND AVE LEXINGTON, KY 40502		501 C(3)	JEWISH TEMPLE	20,800.
TEMPLE ISRAEL 332 JOE CLIFTON DR PADUCAH, KY 42002		501 C(3)	JEWISH TEMPLE	2,000.
ART MUSEUM @ UK 100 STURGILL DEVELOPMENT BLDG LEXINGTON, KY 40506		501 C(3)	ART PRESERVATION	4,500.
THE JEWISH FEDERATION OF THE BG 1050 CHINOE RD SUITE 112 LEXINGTON, KY 42002		501 C(3)	EDUCATION	5,000.
THE LIVING ARTS & SCIENCE CENTER 362 N MARTIN LUTHER KING BLVD LEXINGTON, KY 40508		501 C(3)	ART EDUCATION	50,000.
THE NATURE CONSERVANCY 642 WEST MAIN LEXINGTON, KY 40508		501 C(3)	CONSERVE LAND	25,000.
THE SALVATION ARMY 736 W MAIN ST LEXINGTON, KY 40508		501 C(3)	HOPE TO THOSE STRUGGLING	100.
TRANSYLVANIA UNIVERSITY 300 N BROADWAY LEXINGTON, KY 40508		501 C(3)	EDUCATION	160,000.
Total from continuation sheets				

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
U. S. HOLOCAUST MEMORIAL MUSEUM P O BOX 90988 WASHINGTON, DC 20090		501 C(3)	HALOCAUST EDUCATION	500.
UK SANDERS-BROWN CENTER 343 WALLER AVE SUITE 205 LEXINGTON, KY 40504		501 C(3)	MEDICAL RESEARCH FOR THE AGING	5,000.
WORLD JEWISH CONGRESS FOUNDATION 2125 BISCAYNE BLVD SUITE 310 MIAMI, FL 33137		501 C(3)	PROVIDE FINANCIAL AND OTHER SUPPORT TO PROGRAMS AND	1,000.
WOUNDED WARRIOR PROJECT PO BOX 758516 TOPEKA, KS 66675		501 C(3)	SUPPORT FOR WOUNDED U.S. VETERANS	400.
BLUEGRASS COMMUNITY & TECHNICAL COLLEGE 470 COOPER DR LEXINGTON, KY 40502		501 C(3)	POST SECONDARY EDUCATION FOR TWO YEAR DEGREES IN THE TRADES	200.
CENTENARY UNITED METHODIST CHURCH 2800 TATES CREEK RD LEXINGTON, KY 40502		501 C(3)	SUPPORT FOR COMMUNITY PROJECTS	100.
CHALLENGER LEARNING CENTER PO BOX 7380 PADUCAH, KY 42002		501 C(3)	EDUCATIONAL LEARNING CENTER ABOUT THE US SPACE PROGRAM	100.
CODE FOR AMERICA LABS, INC 155 9TH STREET SAN FRANSICSO, CA 94103		501 C(3)	ADVOCATES TRANSPARANCY IN GOVERNMENT AND HELPS TO ENCOURAGE CIVIC LEADERS	5,000.
LEXINGTON OPERA SOCIETY PO BOX 8463 LEXINGTON, KY 40533-8463		501 C(3)	PROMOTES MUSICAL ARTS	5,000.
POST-POLIO HEALTH INTERNATIONAL 4207 LINDELL BLVD #110 ST LOUIS, MO 63108-2930		501 C(3)	PUBLIC HEALTH	100.
Total from continuation sheets				

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
SURGERY ON SUNDAY 650 NEWTOWN PIKE LEXINGTON, KY 40508		501 C(3)	PUBLIC HEALTH	100.
THOROUGHBRED RETIREMENT FOUNDATION PO BOX 834 SARATOGA SPRINGS, NY 12866		501 C(3)	RETIREMENT OF THOROUGHBREDS	200.
Total from continuation sheets				

Part XV Supplementary Information

3a Grants and Contributions Paid During the Year Continuation of Purpose of Grant or Contribution

NAME OF RECIPIENT - CHILDRENS CHARITIES OF THE BLUEGRASS

BENEFIT LOCAL CHARITABLE ORGANIZATIONS WHICH HAVE AS GOAL TO PROVIDE

BENEFITS TO AREA CHILDREN

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
TD WATERHOUSE 507-16544	246.	0.	246.	246.	
TO PART I, LINE 4	246.	0.	246.	246.	

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT FEES	707.	0.		0.
TO FORM 990-PF, PG 1, LN 16C	707.	0.		0.

FORM 990-PF TAXES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ANNUAL STATE FILING FEE	15.	0.		0.
FEDERAL TAX	1,161.	0.		0.
FEDERAL TAX ESTIMATES	5,000.	0.		0.
TO FORM 990-PF, PG 1, LN 18	6,176.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK SERVICE CHARGES	199.	0.		0.
TO FORM 990-PF, PG 1, LN 23	199.	0.		0.

FORM 990-PF OTHER INVESTMENTS STATEMENT 5

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
AMERICAN LEGACY ANNUITY - WARREN	COST	450,168.	225,613.
AMERICAN LEGACY ANNUITY - BETTY	COST	561,167.	308,225.
ING INSURANCE COMPANY - JANUS GROWTH AND INCOME	COST	100,000.	113,382.
ING INSURANCE COMPANY - VIP GROWTH	COST	100,000.	150,654.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,211,335.	797,874.