Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

► **Do not enter Social Security numbers on this form as it may be made public.**
► Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf.*

OMB No 1545-0052

2013

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

THE KAHN EDUCATION FOUNDATION
10440 N. CENTRAL EXPY #1280
DALLAS, TX 75231

A Employer identification number 75-2667164
B Telephone number (see the instructions) 214-369-6202
C If exemption application is pending, check here ► ☐
D 1 Foreign organizations, check here ► ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ► ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ► ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► ☐

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

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

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 2,611,809.

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

RECEIVED
A018 APR 25 2014 IRS-OSC
OGDEN, UT

SCANNED MAY 02 2014

		Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1	Contributions, gifts, grants, etc, received (att sch)				
	2	Ck ► ☒ if the foundn is not req to att Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	47,104.	47,104.		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain/(loss) from sale of assets not on line 10	-26,593.			
	b	Gross sales price for all assets on line 6a 432,626.				
	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/(loss) (att sch)				
	11	Other income (attach schedule) SEE STATEMENT 1	42,048.	42,048.		
	12	**Total.** Add lines 1 through 11	62,559.	89,152.	0.	
OPERATING AND ADMINISTRATIVE EXPENSES	13	Compensation of officers, directors, trustees, etc	28,000.	6,800.		21,200.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach sch) SEE ST 2	5,600.	2,800.		2,800.
	c	Other prof fees (attach sch) SEE ST 3	11,384.	11,384.		
	17	Interest				
	18	Taxes (attach schedule)(see instrs) SEE STM 4	500.	200.		
	19	Depreciation (attach sch) and depletion SEE STMT 5	578.	145.		
	20	Occupancy	8,113.	2,028.		6,085.
	21	Travel, conferences, and meetings	280.			280.
	22	Printing and publications				
	23	Other expenses (attach schedule) SEE STATEMENT 6	3,862.	438.		3,824.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	58,317.	23,795.		34,189.
	25	Contributions, gifts, grants paid PART XV	99,000.			99,000.
	26	**Total expenses and disbursements.** Add lines 24 and 25	157,317.	23,795.	0.	133,189.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-94,758.			
	b	**Net investment income** (if negative, enter -0-)		65,357.		
	c	**Adjusted net income** (if negative, enter -0-)			0.	

* 8

Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing	57,130.	26,575.	26,575.
	2	Savings and temporary cash investments	230,625.	360,709.	360,709.
	3	Accounts receivable ►			
		Less allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	3,115.	3,115.	3,115.
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments — corporate stock (attach schedule)	572,453.	448,512.	735,205.
	c	Investments — corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach schedule) ►			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule)	1,382,880.	1,305,637.	1,476,205.
	14	Land, buildings, and equipment basis ► 4,585.			
		Less accumulated depreciation (attach schedule) SEE STMT 7 ► 3,263.	1,900.	1,322.	
	15	Other assets (describe ► SEE STATEMENT 8)	10,993.	18,068.	10,000.
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	2,259,096.	2,163,938.	2,611,809.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	**Total liabilities** (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here ► ☒ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	2,259,096.	2,163,938.	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	2,259,096.	2,163,938.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	2,259,096.	2,163,938.	

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	2,259,096.
2	Enter amount from Part I, line 27a	2	-94,758.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	2,164,338.
5	Decreases not included in line 2 (itemize) ► SEE STATEMENT 9	5	400.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	2,163,938.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	SEE STATEMENT 10			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) — If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7	2	-26,593.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	0.

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If 'Yes,' the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2012	125,244.	2,369,246.	0.052862
2011	120,847.	2,441,392.	0.049499
2010	135,136.	2,411,931.	0.056028
2009	74,105.	2,323,581.	0.031893
2008	69,595.	1,712,318.	0.040644

2	**Total** of line 1, column (d)	2	0.230926
3	Average distribution ratio for the 5-year base period – divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.046185
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	2,457,583.
5	Multiply line 4 by line 3	5	113,503.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	654.
7	Add lines 5 and 6	7	114,157.
8	Enter qualifying distributions from Part XII, line 4	8	133,189.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here ► ☐ and enter 'N/A' on line 1. Date of ruling or determination letter: ________ **(attach copy of letter if necessary – see instrs)**				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☒ and enter 1% of Part I, line 27b			1	654.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0.
3 Add lines 1 and 2			3	654.
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	654.
6 Credits/Payments				
a 2013 estimated tax pmts and 2012 overpayment credited to 2013	6a	771.		
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	771.
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	0.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	117.
11 Enter the amount of line 10 to be **Credited to 2014 estimated tax** ►	117.	**Refunded** ►	11	0.

Part VII-A Statements Regarding Activities

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

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

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 ► SALLIE A. SCANLAN Telephone no. ► (214) 369-6202

Located at ► SAME AS FOUNDATION ZIP + 4 ►

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

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

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

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

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

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

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

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

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

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

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

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

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

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)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . **6 b** | | X

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

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

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

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

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

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
SALLIE A. SCANLAN SAME AS FOUNDATION	TRUSTEE 8.00	8,800.	0.	0.
SUSAN S. CAMERON SAME AS FOUNDATION	TRUSTEE 6.00	8,800.	0.	0.
HEATHER W. WOOD SAME AS FOUNDATION	TRUSTEE 2.00	5,200.	0.	0.
COURTENAY S. WOOD SAME AS FOUNDATION	TRUSTEE 2.00	5,200.	0.	0.

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

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

Total number of other employees paid over $50,000 ► 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 (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
Total number of others receiving over $50,000 for professional services ►		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 PROVIDED FUNDS TO VARIOUS ORGANIZATIONS TO ENHANCE THEIR ABILITY TO EDUCATE CHILDREN AND ADULTS. A DESCRIPTION OF THESE GRANTS IS PROVIDED IN SECTION XV OF THIS RETURN.	99,000.
2	
3	
4	

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

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

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:				
a Average monthly fair market value of securities			1a	2,325,251.
b Average of monthly cash balances			1b	159,757.
c Fair market value of all other assets (see instructions)			1c	10,000.
d **Total** (add lines 1a, b, and c)			1d	2,495,008.
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	2,495,008.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)			4	37,425.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	2,457,583.
6 **Minimum investment return.** Enter 5% of line 5			6	122,879.

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	122,879.
2a Tax on investment income for 2013 from Part VI, line 5	2a	654.		
b Income tax for 2013 (This does not include the tax from Part VI)	2b			
c Add lines 2a and 2b			2c	654.
3 Distributable amount before adjustments Subtract line 2c from line 1			3	122,225.
4 Recoveries of amounts treated as qualifying distributions			4	
5 Add lines 3 and 4			5	122,225.
6 Deduction from distributable amount (see instructions)			6	
7 **Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	122,225.

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	133,189.
b Program-related investments – total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 **Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	133,189.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	654.
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	132,535.

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					122,225.
2 Undistributed income, if any, as of the end of 2013:					
a Enter amount for 2012 only				0.	
b Total for prior years: 20 ___, 20 ___, 20 ___			0.		
3 Excess distributions carryover, if any, to 2013:					
a From 2008					
b From 2009					
c From 2010	15,741.				
d From 2011	1,107.				
e From 2012	7,640.				
f **Total** of lines 3a through e		24,488.			
4 Qualifying distributions for 2013 from Part XII, line 4 ► $ 133,189.					
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					122,225.
e Remaining amount distributed out of corpus		10,964.			
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		35,452.			
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 instructions				0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)		0.			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a		35,452.			
10 Analysis of line 9					
a Excess from 2009					
b Excess from 2010	15,741.				
c Excess from 2011	1,107.				
d Excess from 2012	7,640.				
e Excess from 2013	10,964.				

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

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

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

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

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

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

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*				
SEE STATEMENT 11				
Total			► **3a**	99,000.
b *Approved for future payment*				
Total			► **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	47,104.	
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			1	42,048.	
8 Gain or (loss) from sales of assets other than inventory			18	-26,593.	
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)				62,559.	

13 **Total.** Add line 12, columns (b), (d), and (e) 13 62,559.

(See worksheet in line 13 instructions to verify calculations)

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

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

Susan C. Cameron 4-21-14 ▶ TRUSTEE

Signature of officer or trustee Date Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
SALLIE A. SCANLAN	Sallie A Scanlan	4/18/14		P00572582

Firm's name ▶ SALLIE A. SCANLAN CPA PC Firm's EIN ▶

Firm's address ▶ 10440 N CENTRAL EXPY, STE 1280
DALLAS, TX 75231-2278

Phone no (214) 369-4732

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME	$ 42,048.	$ 42,048.	
TOTAL	$ 42,048.	$ 42,048.	$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SAS CPA PC	$ 5,600.	$ 2,800.		$ 2,800.
TOTAL	$ 5,600.	$ 2,800.	$ 0.	$ 2,800.

STATEMENT 3
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BAIRD INVESTMENT MGMT FEES	$ 11,384.	$ 11,384.		
TOTAL	$ 11,384.	$ 11,384.	$ 0.	$ 0.

STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAXES	$ 300.			
FOREIGN TAXES WITHHELD	200.	$ 200.		
TOTAL	$ 500.	$ 200.	$ 0.	$ 0.

STATEMENT 5
FORM 990-PF, PART I, LINE 19
ALLOCATED DEPRECIATION

DATE ACQUIRED	COST BASIS	PRIOR YR DEPR	METHOD	RATE	LIFE	CURRENT YR DEPR	NET INVEST INCOME	ADJUSTED NET INCOME
RECEPTION DESK								
11/11/11	1,474	246	S/L		7	211	53	0
TELEPHONE SYSTEM								
11/04/11	1,100	428	S/L		3	367	92	0

STATEMENT 6
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DUES & SUBSCRIPTIONS	$ 55.	$ 5.		$ 50.
DUES-ASSOCIATION OF SMALL FDNS	750.			750.
OFFICE EXPENSES	121.	12.		109.
OFFICE INSURANCE	575.	144.		431.
OFFICE SUPPLIES	913.	91.		822.
POSTAGE & DELIVERY	1.	1.		
REPAIRS & MAINTENANCE	1,847.	185.		1,662.
STATE INCOME TAX	-400.			
TOTAL	$ 3,862.	$ 438.	$ 0.	$ 3,824.

STATEMENT 7
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
FURNITURE AND FIXTURES	$ 1,871.	$ 854.	$ 1,017.	$ 0.
MACHINERY AND EQUIPMENT	2,714.	2,409.	305.	0.
TOTAL	$ 4,585.	$ 3,263.	$ 1,322.	$ 0.

STATEMENT 8
FORM 990-PF, PART II, LINE 15
OTHER ASSETS

	BOOK VALUE	FAIR MARKET VALUE
PARK WESTERN PARTNERSHIP	$ 18,068.	$ 10,000.
TOTAL	$ 18,068.	$ 10,000.

STATEMENT 9
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

PRIOR PERIOD ADJUSTMENT		$ 400.
	TOTAL	$ 400.

STATEMENT 10
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	SEE ATTACHED SCHEDULE	PURCHASED	VARIOUS	VARIOUS
2	SEE ATTACHED SCHEDULE	PURCHASED	VARIOUS	VARIOUS
3	ADAMS EXPRESS STOCK FUND	PURCHASED	VARIOUS	VARIOUS
4	ADAMS EXPRESS STOCK FUND	PURCHASED	VARIOUS	VARIOUS
5	CERTIFICATES OF DEPOSIT	PURCHASED	12/22/2011	12/23/2013
6	MFS INTERMEDIATE PAYDOWN	PURCHASED	VARIOUS	VARIOUS

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	5,831.		4,001.	1,830.				$ 1,830.
2	174,689.		201,623.	-26,934.				-26,934.
3	6,106.		5,553.	553.				553.
4	95,493.		98,610.	-3,117.				-3,117.
5	120,000.		119,880.	120.				120.
6	30,507.		29,552.	955.				955.
							TOTAL	$ -26,593.

STATEMENT 11
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
CHOICE'S LEADERSHIP 18106 MARSH LANE DALLAS, TX 75248	UNRELATED	N/A	THREE YEAR PLEDGE TO SUPPORT THIS CHARTER SCHOOL	$ 12,500.
NOTRE DAME SCHOOL 2018 ALLEN STREET DALLAS, TX 75204	UNRELATED	N/A	SCHOLARSHIP FUNDS FOR SPECIAL NEEDS CHILDREN	5,000.
EAST DALLAS COMMUNITY SCHOOL 924 WAYNE STREET DALLAS, TX 75223	UNRELATED	N/A	3-YEAR PLEDGE FOR ACADEMIC PROGRAM SUPPORT	13,000.

STATEMENT 11 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
HARVEST CHILD DEV CTR 7200 DENTON HIGHWAY WATAUGA, TX 76148	UNRELATED	N/A	ACADEMIC PROGRAM SUPPORT	$ 2,000.
READING & RADIO RESOURCE CTR 3001 BOOKOUT DALLAS, TX 75201	UNRELATED	N/A	OPERATING FUNDS FOR RECORDING BOOKS	5,000.
TULANE UNIVERSITY 3439 PRYTANIA STREET, #400 NEW ORLEANS, LA 70161	UNRELATED	N/A	ANNUAL FUND CONTRIBUTION	5,000.
DALLAS SUMMER MUSICALS PO BOX 710336 DALLAS, TX 75371	UNRELATED	N/A	3 YEAR PLEDGE TO SUPPORT THEIR EDUCATIONAL PROGRAMS	12,000.
AT&T PERFORMING ARTS CENTER 2100 ROSS AVENUE, #650 DALLAS, TX 75201	UNRELATED	N/A	SUPPORT THEIR EDUCATIONAL PROGRAMS	1,000.
KERA 3000 HARRY HINES BLVD DALLAS, TX 75201	UNRELATED	N/A	EDUCATIONAL PUBLIC TV PROGRAMS	1,500.
WOMEN'S RESEARCH & EDUCATION INSTITUTE 714 G STREET, SE, STE 200 WASHINGTON, DC 20003	UNRELATED	N/A	SUPPORT PROGRAMS FOR WOMEN IN THE MILITARY	25,000.
SOLAR CAR CHALLENGE 3505 CASSIDY DRIVE PLANO, TX 75023	UNRELATED	N/A	SUPPORT EDUCATIONAL PROGRAMS FOR HIGH SCHOOL SOLAR TEAMS	10,000.
ZERO TO FIVE FUNDERS COLLABORATIVE C/O DALLAS FDN; 3963 MAPLE AVE #390 DALLAS, TX 75219	UNRELATED	N/A	FUND EARLY CHILDHOOD/SCHOOL READINESS INITIATIVE	7,000.
			TOTAL	$ 99,000.

OTHER INCOME PRODUCING ACTIVITIES DIVIDENDS/INTEREST FROM SECURITIES.

STIFEL - INTEREST	$	12.
BAIRD - DIVIDENDS		41,197.
BAIRD - INTEREST		8,925.
INTEREST - PARK WESTERN		27.
BAIRD - PURCHASED INTEREST		-383.
AMORTIZATION OF BONDS		-2,674.
TOTAL	$	47,104.

OPERATING & ADMINISTRATIVE EXP. (990-PF) OCCUPANCY

RENT	$	6,762.
TELEPHONE & FAX		1,351.
TOTAL	$	8,113.

BALANCE SHEET CASH-NON-INTEREST-BEARING

COMPASS BANK - CHECKING	$	26,575.
TOTAL	$	26,575.

BALANCE SHEET SAVINGS AND TEMPORARY CASH INVESTMENTS

BAIRD CASH EQUIVALENTS	$	238,702.
STIFEL NICOLAUS		122,007.
TOTAL	$	360,709.

BALANCE SHEET OTHER (FORM 990-PF)[O]

CERTIFICATES OF DEPOSIT	$	758,826.
MUTUAL FUNDS-STOCKS		188,878.
MUTUAL FUNDS-BALANCED		342,300.
MUTUAL FUNDS-BONDS		15,633.
TOTAL	$	1,305,637.

OTHER INCOME PRODUCING ACTIVITIES
OTHER INVESTMENT INCOME [O]

PARTNERSHIP INCOME	$	48,745.
LESS: SPECIALLY ALLOCATED DEPRE		-6,697.
TOTAL	$	42,048.

BALANCE SHEET
PREPAID EXPENSES AND DEFERRED CHARGES

CA STATE TAXES W/H 2008,2009,2010	$	3,115.
TOTAL	$	3,115.

FMV OF ASSETS (990-PF)
OTHER [O]

CERTIFICATES OF DEPOSIT	$	760,539.
STOCK FUNDS		280,990.
BALANCED FUNDS		420,859.
BOND FUNDS		13,817.
TOTAL	$	1,476,205.

ASSET DETAILS

This section shows the cash, cash alternatives and/or securities in your account It reflects market values as of the close of business, December 31, 2013 Any balances reflected in this section held in a bank deposit account or in shares of money market mutual funds may be liquidated on your order and the proceeds returned to your account or remitted to you

Please note, unrealized gain/loss is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor

Performance on funds and unit investment trusts is provided for informational purposes only to assist you in comparing the total current value of your position with your total amount invested, excluding reinvestment activity Performance may be misstated if any cost information is inaccurate or if you have sold part of your position since your original investment

CASH AND CASH ALTERNATIVES

	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
INSURED DEPOSIT US BANK	238,702.61	238,702.61		71 61	0.03%

Net yield from 12/01/13 - 12/31/13 was 0 03% (Compounded)

Deposits held at US Bank are insured by the FDIC up to $250,000

	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
Total Cash and Cash Alternatives	**$238,702.61**	**$238,702.61**		**$71.61**	**0.03%**

PORTFOLIO ASSETS

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
Stocks/Options									
ABB LIMITED SPONSORED ADR	ABB	1,000	26 5600	20 5674	26,560 00	20,567 40	5,992.60	704.00	2 65%
AMERICAN NATIONAL INSURANCE COMPANY	ANAT	300	114 5400	72.1900	34,361 99	21,657.00	12,705 00	923 99	
REINVESTMENTS		26 9480	114 5400	80 4850	3,086.63	2,168 91	917 67	83.00	
TOTAL		326 9480	114.5400	72.8737	37,448 62	23,825.91	13,622 67	1,006.99	2 69%
CHEVRON CORP	CVX	500	124 9100	65.9037	62,455 00	32,951 87	29,503 13	2,000 00	
REINVESTMENTS		54 3850	124 9100	108 5452	6,793 23	5,903 23	889 93	217.54	
TOTAL		554 3850	124 9100	70 0869	69,248 23	38,855.10	30,393 06	2,217 54	3 20%
COCA-COLA COMPANY	KO	1,250	41 3100	15 8050	51,637 49	19,756.25	31,881.25	1,399.99	
REINVESTMENTS		192 0970	41 3100	36 2162	7,935 53	6,957 02	978 44	215 15	
TOTAL		1,442.0970	41 3100	18 5239	59,573 02	26,713.27	32,859.69	1,615.14	2.71%
CONAGRA FOODS INC	CAG	1,000	33.7000	27.5114	33,699.99	27,511.43	6,188.57	999 99	
REINVESTMENTS		109.2250	33.7000	27.9639	3,680.89	3,054.36	626.46	109.23	
TOTAL		1,109 2250	33 7000	27 5560	37,380.88	30,565 79	6,815 03	1,109 22	2 97%
CORNING INC	GLW	3,000	17.8200	12 2500	53,459 97	36,750 00	16,710 00	1,199 97	
REINVESTMENTS		102.1540	17.8200	14 3000	1,820.41	1,460 80	359 56	40 89	
TOTAL		3,102 1540	17 8200	12 3175	55,280.38	38,210 80	17,069.56	1,240.86	2.24%

Stocks/Options continued	Symbol/CUSIP Bond Rating+	Quantity	Current Pnce	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
CURRENCYSHARES CANADIAN DOLLAR TRUST ETF	FXC								
REINVESTMENTS		0 4130	93.6100	100 0484	38 66	41 32	-2.67	0 07	0.21%
GENERAL ELECTRIC COMPANY	GE	1,000	28 0300	33 5942	28,029 99	33,594 16	-5,564 16	879 99	
REINVESTMENTS		101 4900	28 0300	20 8699	2,844 77	2,118.09	726 62	89.32	
TOTAL		1,101.4900	28 0300	32 4218	30,874.76	35,712 25	-4,837.54	969 31	3.14%
KONINKLIJKE PHILIPS N V SPONSORED ADR	PHG	1,000	36 9700	28 6584	36,970 00	28,658.40	8,311 60	975.60	2 64%
MAIN STREET CAP CORP	MAIN	1,200	32 6900	29 4984	39,227 99	35,398.08	3,829.92	2,375.99	
REINVESTMENTS		34 3120	32.6900	31 3092	1,121 66	1,074 28	47.35	67.94	
TOTAL		1,234 3120	32 6900	29 5487	40,349 65	36,472.36	3,877 27	2,443.93	6.06%
MERCK & COMPANY INC NEW	MRK	1,153	50.0500	13 0600	57,707 64	15,058.18	42,649 47	2,029 27	
REINVESTMENTS		149 7960	50.0500	40.2391	7,497 29	6,027 66	1,469 56	263.65	
TOTAL		1,302 7960	50 0500	16 1851	65,204 93	21,085.84	44,119 03	2,292.92	3 52%
MICROSOFT CORP	MSFT	2,500	37.4100	10 8700	93,524.98	27,175.00	66,350.00	2,799.98	
REINVESTMENTS		234 5780	37.4100	29.4130	8,775 58	6,899.64	1,875 86	262.74	
TOTAL		2,734 5780	37 4100	12 4607	102,300 56	34,074 64	68,225 86	3,062.72	2.99%
SCHULMAN A INC	SHLM	1,300	35.2600	18 0953	45,838 00	23,523.90	22,314.10	1,040 00	2.27%
SOUTHWEST AIRLINES COMPANY	LUV	2,000	18.8400	11.9405	37,679 98	23,881.07	13,798.93	319 98	
REINVESTMENTS		25 6150	18 8400	11 5440	482 60	295 70	186 82	4.11	
TOTAL		2,025 6150	18 8400	11 9355	38,162.58	24,176 77	13,985.75	324.09	0 85%
TRANSCANADA CORP	TRP	750	45.6600	34 6942	34,245 00	26,020.63	8,224 37	1,303.42	3 81%
VERIZON COMMUNICATIONS INC	VZ	1,000	49 1400	34 8438	49,139 99	34,843.75	14,296.25	2,119 99	
REINVESTMENTS		152 7160	49.1400	42 5529	7,504 47	6,498 51	1,005.89	323 76	
TOTAL		1,152.7160	49.1400	35.8651	56,644 46	41,342 26	15,302.14	2,443 75	4.31%
CALL MICROSOFT CORP $40 EXP 03/22/14		-15	0.6100	0 8900	-915 00	-1,334 97	419.97	N/A	N/A
Total Stocks/Options					**$735,204.73**	**$448,511.67**	**$286,692.49**	**$22,749.56**	**3.09%**

Stock Funds	Symbol/CUSIP Bond Rating+	Quantity	Current Pnce	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
IVY ASSET STRAT CL C	WASCX	4,239.625	31.1400	19 6425	132,021 90	83,276.74	48,745.17	1,585.59	
REINVESTMENTS		823 015	31 1400	18 4000	25,628 70	15,143 48	10,485 18	307 83	
TOTAL		5,062 640	31 1400	19 4405	157,650 60	98,420.22	59,230 35	1,893 42	1.20%
PERFORMANCE: $74,373.86					157,650.60	83,276.74			
ROYCE PENNSYLVANIA MUTUAL INVESTMENT CL	PENNX	7,095 553	14 7300	10.5700	104,517.42	75,000 00	29,517 49	815 92	

ASSET DETAILS continued

Taxable Bonds continued

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
FIFTH THIRD BANK CINCINNATI OH CD FDIC INT@MAT CPN 0.400% DUE 02/20/14 DTD 02/20/13 FC 02/20/14	316777GL9	50,000	99.9860	99.9500	49,993 00	49,975.00	18.00	200 00	0.40%
GE CAP RETAIL BANK DRAPER UT CD FDIC SEMI CPN 0.600% DUE 03/17/14 DTD 03/16/12 FC 09/16/12 ORIGINAL COST $29,779 25	36157QAC1	30,000	100 0210 "	99 9195	30,006 30	29,975.85***	30 45	180.00	0.60%
DISCOVER BANK GREENWOOD DE CD FDIC SEMI CPN 0 700% DUE 04/04/14 DTD 04/04/12 FC 10/04/12	2546705V0	50,000	100.1050 "	99 6000	50,052.50	49,800.00	252 50	350 00	0.70%
LASALLE BANK MIDWEST NA TROY MI CD FDIC ZERO CPN 0 000% DUE 05/19/14 DTD 06/01/06	518037ZP4	40,000	99 8040 "	98 6800	39,921.60	39,472 00	449.60	N/A	N/A
DISCOVER BANK GREENWOOD DE CD FDIC SEMI CPN 1.000% DUE 07/11/14 DTD 07/11/12 FC 01/11/13	254671DT4	75,000	100.2380 "	99 6000	75,178 50	74,700.00	478 50	750.00	1 00%
FIRSTBANK OF PR SANTURCE PR CD FDIC MTHLY CPN 0.400% DUE 07/31/14 DTD 07/31/13 FC 08/31/13	33764JXU4	100,000	99 9170	99 8000	99,917 00	99,800 00	117 00	400.00	0.40%
GE CAP BANK INC SALT LAKE CITY UT CD FDIC SEMI CPN 0 900% DUE 08/18/14 DTD 08/17/12 FC 02/17/13	36160XQ75	30,000	100 2110 "	99 9063	30,063 30	29,971 89	91 41	270.00	0.90%
FIRSTBANK OF PR SANTURCE PR CD FDIC MTHLY CPN 0 550% DUE 03/13/15 DTD 12/13/13 FC 01/13/14	33764JP58	100,000	99 7700 "	99.8000	99,770 00	99,800 00	-30.00	550 00	0 55%

ASSET DETAILS continued

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
Taxable Bonds continued									
SALLIE MAE BANK MURRAY UT CD FDIC SEMI CPN 1.100% DUE 08/10/15 DTD 08/08/12 FC 02/08/13 ORIGINAL COST· $100,325 00	795450NT8	100,000	100 5790 "	100.3156	100,579.00	100,315 57***	263 43	1,100.00	1.09%
Total Taxable Bonds		**760,000**			**$760,538.80**	**$758,825.89**	**$1,712.91**	**$5,897.50**	**0.78%**
Taxable Bond Funds									
ABERDEEN ASIA PACIFIC INCOME FUND INC	FAX	2,000.000	5 7600	6 4010	11,519.98	12,801 91	-1,281.91	839 98	
REINVESTMENTS		398 537	5.7600	7.0999	2,295 59	2,829 58	-534 18	167.40	
TOTAL		2,398.537	5.7600	6 5171	13,815.57	15,631.49	-1,816 09	1,007.38	7.29%
PERFORMANCE: $1,013 66					13,815 57	12,801 91			
MFS INTERMEDIATE INCOME TRUST	MIN								
REINVESTMENTS		0.243	5 1800	6 3786	1 25	1 55	-0 30	0.12	9.76%
Total Taxable Bond Funds					**$13,816.82**	**$15,633.04**	**-$1,816.39**	**$1,007.50**	**7.29%**
Total Portfolio Assets					**$2,211,409.82**	**$1,754,149.26**	**$457,259.52**	**$39,871.42**	**1.80%**
Total Assets					**$2,450,112.43**	**$1,992,851.87**	**$457,259.52**	**$39,943.03**	**1.63%**

\+ Bond ratings of securities displayed on your statement were obtained from various rating services There is no guarantee with respect to the accuracy of this information

* Please note, "Unrealized Gain/(-)Loss" does not equal the total current value minus the total cost if any value or cost amounts are missing

*** The original cost of this security has been adjusted to reflect principal payments, return of capital or amortization/accretion based on our records and/or provided by you

" This price has been provided by a national pricing service and is derived from a 'market-driven pricing model.' It may be higher or lower than the price you would actually receive in the market

ASSET DETAILS continued

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
Stock Funds continued									
REINVESTMENTS		1,277 811	14 7300	12.0971	18,822 23	15,457 79	3,364 32	147 01	
TOTAL		8,373 364	14.7300	10 8030	123,339.65	90,457.79	32,881 81	962.93	0 78%
PERFORMANCE. $48,339 65					123,339 65	75,000 00			
Total Stock Funds					$280,990.25	$188,878.01	$92,112.16	$2,856.35	1.02%
Balanced Funds									
IVA WORLDWIDE	IVWCX	9,017.628	17.7100	11.5481	159,702 15	104,136.46	55,565.71	1,677 24	
CL C									
REINVESTMENTS		1,739 153	17.7100	15 7635	30,800 44	27,415 14	3,385 19	323.52	
TOTAL		10,756.781	17.7100	12.2296	190,502 59	131,551 60	58,950.90	2,000 76	1 05%
PERFORMANCE $86,366 13					190,502.59	104,136.46			
MAINSTAY	MFLDX	6,020 470	18 5200	16 6100	111,499.04	100,000.00	11,499.10	11 98	
MARKETFIELD									
CL I									
REINVESTMENTS		0.706	18.5200	18 0312	13.13	12.73	0.34	0 06	
TOTAL		6,021 176	18 5200	16 6102	111,512 17	100,012.73	11,499.44	12.04	0 01%
PERFORMANCE. $11,512.17					111,512 17	100,000.00			
THORNBURG	TIBCX	3,867 329	20 8900	20 2568	80,788 47	78,339.82	2,448.67	3,635.26	
INCOME BUILDER									
CL C									
REINVESTMENTS		1,821 731	20 8900	17 7834	38,055.99	32,396.50	5,659 34	1,712.45	
TOTAL		5,689 060	20 8900	19.4648	118,844.46	110,736 32	8,108.01	5,347.71	4.50%
PERFORMANCE $40,504 64					118,844 46	78,339 82			
Total Balanced Funds					$420,859.22	$342,300.65	$78,558.35	$7,360.51	1.75%
Taxable Bonds									
GOLDMAN SACHS BANK USA	38143AGG4	60,000	100 0210 "	100 0066	60,012 60	60,003.94***	8.66	660 00	1.10%
NEW YORK NY CD									
FDIC SEMI									
CPN 1 100% DUE 01/13/14									
DTD 01/11/12 FC 07/11/12									
ORIGINAL COST $60,194.24									
ALLY BANK	02005QCX9	125,000	100.0360 "	100.0093	125,045 00	125,011.64***	33.36	1,437 50	1 15%
MIDVALE UT CD									
FDIC SEMI									
CPN 1 150% DUE 01/14/14									
DTD 01/14/11 FC 07/14/11									
ORIGINAL COST· $125,498 81									

ASSET SUMMARY

Value as of December 31, 2013					Gains/(-)Losses		
				% of		Realized	
	At Baird	Not at Baird	Total	Assets *	Unrealized	This Period	Year-to-Date
Cash							
Money Market/Bank Deposit	238,702.61		238,702.61	9 74%			
Margin							
Cash and Cash Alternatives	**$238,702.61**		**$238,702.61**	**9.74%**			
Stocks/Options	735,204.73		735,204.73	30 01%	286,692 49	12,023 45	-25,104 47
Stock Funds	280,990 25		280,990 25	11.47%	92,112.16		-2,563.61
Preferred Stocks							
Balanced Funds	420,859 22		420,859 22	17.18%	78,558 35		
Tax-Exempt Bonds							
Tax-Exempt Bond Funds							
Taxable Bonds	760,538 80		760,538 80	31 04%	1,712 91	90 00	120 00
Taxable Bond Funds	13,816 82		13,816.82	0 56%	-1,816.39		-242.12
Unit Investment Trusts							
Annuities							
Baird Capital							
Other Investments							
Portfolio Assets	**$2,211,409.82**		**$2,211,409.82**	**90.26%**	**$457,259.52**	**$12,113.45**	**-$27,790.20**
Total Assets	**$2,450,112.43**		**$2,450,112.43**	**100.00%**	**$457,259.52**	**$12,113.45**	**-$27,790.20**

INCOME & DISTRIBUTION SUMMARY

		This Period	Year-to-Date
Dividends	Tax-Exempt		
	Taxable - Qualified	2,544.56	19,068 01
	Taxable - Non-Qualified	4,683 89	11,769 58
Interest	Tax-Exempt		
	Taxable	387.42	8,925.38
Capital Gain Distributions		☆ 9,887 97	9,974 72
Return of Principal			
Other			
Total Income and Distributions		**$17,503.84**	**$49,737.69**

7228.45

TAX INFORMATION SUMMARY

		This Period	Year-to-Date
Accrued Interest Paid	Tax-Exempt		
	Taxable	382 74	382.74
Accrued Interest Received	Tax-Exempt		
	Taxable		
Gross Proceeds		83,827.86	720,232 98
Federal Withholding			
Foreign Taxes Paid			200.26
Margin Interest Charged			

UNDER Please note "% of Assets" figures are shown gross of any amounts owed to Baird and/or net short positions.

DIVIDENDS ☆ ROYCE CAP GAIN = 5167.84
IVA WORLDWIDE = 4720 13

ASSET DETAILS

This section shows the cash, cash alternatives and/or securities in your account It reflects market values as of the close of business, December 31, 2013 Any balances reflected in this section held in a bank deposit account or in shares of money market mutual funds may be liquidated on your order and the proceeds returned to your account or remitted to you

Please note, unrealized gain/loss is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor

Performance on funds and unit investment trusts is provided for informational purposes only to assist you in comparing the total current value of your position with your total amount invested, excluding reinvestment activity Performance may be misstated if any cost information is inaccurate or if you have sold part of your position since your original investment

CASH AND CASH ALTERNATIVES

	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
INSURED DEPOSIT US BANK	238,702.61	238,702.61		71 61	0 03%
Net yield from 12/01/13 - 12/31/13 was 0.03% (Compounded).					
Deposits held at US Bank are insured by the FDIC up to $250,000					
Total Cash and Cash Alternatives	$238,702.61	$238,702.61		$71.61	0.03%

PORTFOLIO ASSETS

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
Stocks/Options									
ABB LIMITED SPONSORED ADR	ABB	1,000	26 5600	20 5674	26,560.00	20,567.40	5,992 60	704 00	2 65%
AMERICAN NATIONAL INSURANCE COMPANY	ANAT	300	114 5400	72 1900	34,361.99	21,657 00	12,705.00	923.99	
REINVESTMENTS		26 9480	114.5400	80 4850	3,086 63	2,168.91	917.67	83.00	
TOTAL		326.9480	114 5400	72 8737	37,448 62	23,825 91	13,622 67	1,006 99	2 69%
CHEVRON CORP	CVX	500	124 9100	65 9037	62,455 00	32,951 87	29,503 13	2,000.00	
REINVESTMENTS		54 3850	124 9100	108 5452	6,793 23	5,903 23	889 93	217 54	
TOTAL		554 3850	124 9100	70 0869	69,248 23	38,855 10	30,393.06	2,217 54	3.20%
COCA-COLA COMPANY	KO	1,250	41 3100	15 8050	51,637 49	19,756.25	31,881 25	1,399 99	
REINVESTMENTS		192 0970	41 3100	36 2162	7,935 53	6,957 02	978 44	215 15	
TOTAL		1,442.0970	41.3100	18.5239	59,573 02	26,713.27	32,859.69	1,615.14	2.71%
CONAGRA FOODS INC	CAG	1,000	33 7000	27.5114	33,699.99	27,511.43	6,188 57	999 99	
REINVESTMENTS		109 2250	33 7000	27 9639	3,680 89	3,054 36	626 46	109 23	
TOTAL		1,109 2250	33 7000	27 5560	37,380 88	30,565 79	6,815 03	1,109.22	2 97%
CORNING INC	GLW	3,000	17.8200	12.2500	53,459.97	36,750.00	16,710.00	1,199.97	
REINVESTMENTS		102.1540	17 8200	14 3000	1,820 41	1,460 80	359 56	40.89	
TOTAL		3,102 1540	17 8200	12.3175	55,280 38	38,210.80	17,069 56	1,240 86	2 24%

ASSET DETAILS continued

Stocks/Options continued	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
CURRENCYSHARES CANADIAN DOLLAR TRUST ETF	FXC								
REINVESTMENTS		0 4130	93.6100	100 0484	38.66	41 32	-2 67	0 07	0.21%
GENERAL ELECTRIC COMPANY	GE	1,000	28.0300	33.5942	28,029 99	33,594 16	-5,564.16	879.99	
REINVESTMENTS		101.4900	28 0300	20.8699	2,844 77	2,118.09	726 62	89 32	
TOTAL		1,101 4900	28 0300	32.4218	30,874 76	35,712 25	-4,837 54	969 31	3 14%
KONINKLIJKE PHILIPS N V SPONSORED ADR	PHG	1,000	36 9700	28 6584	36,970.00	28,658.40	8,311.60	975.60	2 64%
MAIN STREET CAP CORP	MAIN	1,200	32.6900	29.4984	39,227 99	35,398 08	3,829 92	2,375 99	
REINVESTMENTS		34 3120	32 6900	31 3092	1,121 66	1,074 28	47 35	67 94	
TOTAL		1,234.3120	32 6900	29 5487	40,349 65	36,472 36	3,877.27	2,443 93	6.06%
MERCK & COMPANY INC NEW	MRK	1,153	50 0500	13 0600	57,707 64	15,058 18	42,649 47	2,029 27	
REINVESTMENTS		149 7960	50.0500	40 2391	7,497 29	6,027 66	1,469 56	263.65	
TOTAL		1,302 7960	50 0500	16 1851	65,204 93	21,085 84	44,119.03	2,292 92	3 52%
MICROSOFT CORP	MSFT	2,500	37 4100	10 8700	93,524 98	27,175 00	66,350 00	2,799.98	
REINVESTMENTS		234 5780	37 4100	29 4130	8,775 58	6,899 64	1,875 86	262 74	
TOTAL		2,734 5780	37 4100	12 4607	102,300.56	34,074 64	68,225 86	3,062 72	2 99%
SCHULMAN A INC	SHLM	1,300	35 2600	18 0953	45,838 00	23,523 90	22,314 10	1,040 00	2.27%
SOUTHWEST AIRLINES COMPANY	LUV	2,000	18 8400	11 9405	37,679.98	23,881 07	13,798 93	319 98	
REINVESTMENTS		25 6150	18.8400	11 5440	482 60	295 70	186 82	4.11	
TOTAL		2,025 6150	18 8400	11 9355	38,162 58	24,176.77	13,985 75	324 09	0 85%
TRANSCANADA CORP	TRP	750	45 6600	34 6942	34,245.00	26,020 63	8,224.37	1,303.42	3.81%
VERIZON COMMUNICATIONS INC	VZ	1,000	49 1400	34 8438	49,139 99	34,843.75	14,296 25	2,119 99	
REINVESTMENTS		152 7160	49 1400	42 5529	7,504 47	6,498 51	1,005.89	323 76	
TOTAL		1,152 7160	49.1400	35.8651	56,644 46	41,342 26	15,302 14	2,443 75	4 31%
CALL MICROSOFT CORP $40 EXP 03/22/14		-15	0 6100	0.8900	-915 00	-1,334 97	419 97	N/A	N/A
Total Stocks/Options					**$735,204.73**	**$448,511.67**	**$286,692.49**	**$22,749.56**	**3.09%**

Stock Funds	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
IVY ASSET STRAT CL C	WASCX	4,239 625	31 1400	19 6425	132,021.90	83,276.74	48,745 17	1,585 59	
REINVESTMENTS		823 015	31.1400	18.4000	25,628.70	15,143 48	10,485.18	307.83	
TOTAL		5,062.640	31.1400	19.4405	157,650.60	98,420.22	59,230.35	1,893.42	1.20%
PERFORMANCE: $74,373.86					157,650 60	83,276 74			
ROYCE PENNSYLVANIA MUTUAL INVESTMENT CL	PENNX	7,095 553	14 7300	10 5700	104,517 42	75,000 00	29,517 49	815 92	

ASSET DETAILS continued

Stock Funds continued

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
REINVESTMENTS		1,277 811	14 7300	12.0971	18,822.23	15,457.79	3,364 32	147 01	
TOTAL		8,373 364	14 7300	10.8030	123,339.65	90,457 79	32,881 81	962 93	0 78%
PERFORMANCE· $48,339 65					123,339.65	75,000.00			
Total Stock Funds					$280,990.25	$188,878.01	$92,112.16	$2,856.35	1.02%

Balanced Funds

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
IVA WORLDWIDE	IVWCX	9,017 628	17 7100	11.5481	159,702.15	104,136.46	55,565 71	1,677.24	
CL C									
REINVESTMENTS		1,739 153	17 7100	15.7635	30,800 44	27,415.14	3,385 19	323.52	
TOTAL		10,756 781	17 7100	12 2296	190,502 59	131,551 60	58,950.90	2,000 76	1 05%
PERFORMANCE· $86,366 13					190,502 59	104,136.46			
MAINSTAY	MFLDX	6,020.470	18.5200	16.6100	111,499 04	100,000.00	11,499 10	11 98	
MARKETFIELD									
CL I									
REINVESTMENTS		0.706	18 5200	18 0312	13.13	12 73	0.34	0.06	
TOTAL		6,021 176	18.5200	16 6102	111,512 17	100,012 73	11,499 44	12 04	0 01%
PERFORMANCE $11,512 17					111,512 17	100,000.00			
THORNBURG	TIBCX	3,867 329	20.8900	20.2568	80,788 47	78,339 82	2,448 67	3,635 26	
INCOME BUILDER									
CL C									
REINVESTMENTS		1,821.731	20 8900	17.7834	38,055 99	32,396 50	5,659 34	1,712.45	
TOTAL		5,689 060	20.8900	19.4648	118,844 46	110,736 32	8,108 01	5,347 71	4 50%
PERFORMANCE: $40,504.64					118,844 46	78,339.82			
Total Balanced Funds					$420,859.22	$342,300.65	$78,558.35	$7,360.51	1.75%

Taxable Bonds

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
GOLDMAN SACHS BANK USA	38143AGG4	60,000	100 0210 "	100.0066	60,012.60	60,003.94***	8 66	660 00	1 10%
NEW YORK NY CD									
FDIC SEMI									
CPN 1 100% DUE 01/13/14						<9,387			
DTD 01/11/12 FC 07/11/12									
ORIGINAL COST. $60,194 24									
ALLY BANK	02005QCX9	125,000	100.0360 "	100.0093	125,045.00	125,011.64***	33 36	1,437.50	1.15%
MIDVALE UT CD									
FDIC SEMI									
CPN 1.150% DUE 01/14/14						<25,777			
DTD 01/14/11 FC 07/14/11									
ORIGINAL COST $125,498 81									

ASSET DETAILS continued

Taxable Bonds continued

	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
FIFTH THIRD BANK CINCINNATI OH CD FDIC INT@MAT CPN 0.400% DUE 02/20/14 DTD 02/20/13 FC 02/20/14	316777GL9	50,000	99.9860	99.9500	49,993.00	49,975 00	18.00	200 00	0 40%
GE CAP RETAIL BANK DRAPER UT CD FDIC SEMI CPN 0.600% DUE 03/17/14 DTD 03/16/12 FC 09/16/12 ORIGINAL COST $29,779 25	36157QAC1	30,000	100 0210 "	99 9195	30,006 30	29,975 85*** +9.86	30 45	180 00	0.60%
DISCOVER BANK GREENWOOD DE CD FDIC SEMI CPN 0 700% DUE 04/04/14 DTD 04/04/12 FC 10/04/12	2546705V0	50,000	100.1050 "	99.6000	50,052 50	49,800 00	252 50	350 00	0.70%
LASALLE BANK MIDWEST NA TROY MI CD FDIC ZERO CPN 0 000% DUE 05/19/14 DTD 06/01/06	518037ZP4	40,000	99.8040 "	98 6800	39,921 60	39,472 00	449 60	N/A	N/A
DISCOVER BANK GREENWOOD DE CD FDIC SEMI CPN 1 000% DUE 07/11/14 DTD 07/11/12 FC 01/11/13	254671DT4	75,000	100 2380 "	99 6000	75,178 50	74,700 00	478 50	750.00	1 00%
FIRSTBANK OF PR SANTURCE PR CD FDIC MTHLY CPN 0.400% DUE 07/31/14 DTD 07/31/13 FC 08/31/13	33764JXU4	100,000	99.9170	99 8000	99,917 00	99,800 00	117 00	400 00	0.40%
GE CAP BANK INC SALT LAKE CITY UT CD FDIC SEMI CPN 0 900% DUE 08/18/14 DTD 08/17/12 FC 02/17/13	36160XQ75	30,000	100 2110 "	99.9063	30,063 30	29,971.89	91 41	270.00	0 90%
FIRSTBANK OF PR SANTURCE PR CD FDIC MTHLY CPN 0 550% DUE 03/13/15 DTD 12/13/13 FC 01/13/14	33764JP58	100,000	99 7700 "	99.8000	99,770.00	99,800 00	-30.00	550.00	0.55%

AMORT = <34.72>

ASSET DETAILS continued

Taxable Bonds continued	Symbol/CUSIP Bond Rating+	Quantity	Current Price	Average Unit Cost	Current Value	Cost	Unrealized Gain/(-)Loss*	Anticipated Annualized Income	Current Yield %
SALLIE MAE BANK	795450NT8	100,000	100 5790 "	100 3156	100,579 00	100,315 57***	263 43	1,100 00	1 09%
MURRAY UT CD									
FDIC SEMI									
CPN 1.100% DUE 08/10/15						29.437			
DTD 08/08/12 FC 02/08/13									
ORIGINAL COST· $100,325.00									
Total Taxable Bonds		**760,000**			**$760,538.80**	**$758,825.89**	**$1,712.91**	**$5,897.50**	**0.78%**

Taxable Bond Funds									
ABERDEEN ASIA PACIFIC	FAX	2,000 000	5 7600	6 4010	11,519 98	12,801 91	-1,281 91	839 98	
INCOME FUND INC									
REINVESTMENTS		398 537	5 7600	7 0999	2,295 59	2,829 58	-534 18	167 40	
TOTAL		2,398 537	5 7600	6 5171	13,815 57	15,631 49	-1,816 09	1,007 38	7 29%
PERFORMANCE $1,013 66					13,815 57	12,801 91			
MFS INTERMEDIATE	MIN								
INCOME TRUST									
REINVESTMENTS		0.243	5 1800	6.3786	1 25	1.55	-0 30	0 12	9.76%
Total Taxable Bond Funds					**$13,816.82**	**$15,633.04**	**-$1,816.39**	**$1,007.50**	**7.29%**
Total Portfolio Assets					**$2,211,409.82**	**$1,754,149.26**	**$457,259.52**	**$39,871.42**	**1.80%**
Total Assets					**$2,450,112.43**	**$1,992,851.87**	**$457,259.52**	**$39,943.03**	**1.63%**

\+ Bond ratings of securities displayed on your statement were obtained from various rating services There is no guarantee with respect to the accuracy of this information.

* Please note, "Unrealized Gain/(-)Loss" does not equal the total current value minus the total cost if any value or cost amounts are missing

*** The original cost of this security has been adjusted to reflect principal payments, return of capital or amortization/accretion based on our records and/or provided by you

" This price has been provided by a national pricing service and is derived from a 'market-driven pricing model.' It may be higher or lower than the price you would actually receive in the market.

REALIZED GAINS/(-)LOSSES

This section presents estimated realized gains or losses for your information only, and should not be used for tax purposes. To calculate gains or losses, the position with the earliest acquisition date has been liquidated first unless you have instructed us otherwise We suggest you review this information for accuracy and contact your Baird Financial Advisor with any questions.

Stocks/Options	*Date Acquired*	*Date Sold*	*Quantity*	*Purchase Price*	*Sale Price*	*Cost Basis*	*Sale Proceeds*	*Realized Gain/(-)Loss**
COCA COLA COMPANY	12/02/99 n	08/13/13	750	15 8050	39 5616	11,853 75	29,670.68	17,816.93 (LT)
ENERGEN CORP	05/19/10 n	09/24/13	600	44.9857	61.3100	27,297 28	36,785 36	9,488 08 (LT)
ENERGEN CORP	05/19/10 n	10/18/13	100	44 9857	61 3100	4,549 54	6,130 88	1,581 34 (LT)
ENERGEN CORP	12/03/12 c	10/23/13	2 188	44 9208	79 5600	98.27	174.07	75.80(ST)
	03/01/13 c	10/23/13	2 224	45.9186	79.5600	102 10	176 93	74 83(ST)
	06/03/13 c	10/23/13	1 880	54 4922	79 5600	102 42	149 57	47 15(ST)
	09/03/13 c	10/23/13	1 523	67 4482	79 5600	102.69	121 18	18.49(ST)
	09/04/12 c	10/23/13	1 920	51.0452	79.5600	98 00	152 75	54 75 (LT)
			9.7350			503.48	774.50	271 02
HERCULES TECH GROWTH CAP	08/26/11 n	05/15/13	1,100	8.8000	13.1620	9,680.00	14,477 87	4,797.87 (LT)
HERCULES TECH GROWTH CAP	08/24/12 c	06/13/13	68 766	11.2038	13 3610	770.44	918 76	148 32(ST)
	11/21/12 c	06/13/13	74 033	10.6296	13 3610	786 94	989 14	202 20(ST)
	03/19/13 c	06/13/13	68 213	12.2885	13.3610	838.24	911.38	73 14(ST)
	05/21/13 c	06/13/13	68.413	13.5021	13.3610	923.72	914.06	-9.66(ST)
	08/26/11 n	06/13/13	1,900	8.8000	13 3610	16,720 00	25,385 45	8,665.45 (LT)
	11/29/11 n	06/13/13	73 497	8.9800	13 3610	660 00	981.97	321 97 (LT)
	03/15/12 c	06/13/13	65 405	10 8080	13 3610	706 90	873.86	166 96 (LT)
	05/25/12 c	06/13/13	71 263	10.5712	13 3610	753.34	952 13	198 79 (LT)
			2,389.5900			22,159.58	31,926.75	9,767.17
LSI CORP	12/02/99 n	01/31/13	5,000	23.5000	7 0901	117,500 00	35,449.70	-82,050.30 (LT)
SCHULMAN A INC	09/08/03 n	12/10/13	700	16.5800	34.0404	11,804 41	23,827 86	12,023 45 (LT)
CALL MSFT 101913 36	08/13/13 n	07/11/13	12	0.2300	1.2300	276.00	1,475 97	1,199 97 (ST)
Total Stocks/Options						**$205,624.04**	**$180,519.57**	**-$25,104.47**