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: **Teaumen & Grace Fuite Foundation**

A Employer identification number: **86-0744807**

Number and street (or P O box number if mail is not delivered to street address): **4314 E Fairmount Avenue**   Room/suite

B Telephone number (see instructions): **602-228-6718**

City or town, state or province, country, and ZIP or foreign postal code: **Phoenix AZ 85018**

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: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ **5,688,018**

J Accounting method ☒ 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) (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 (attach schedule)	0			
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	236,329	188,021		
	4	Dividends and interest from securities	36,378	36,378		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 **Stmt 1**	-72,474			
	b	Gross sales price for all assets on line 6a 1,732,398				
	7	Capital gain net income (from Part IV, line 2)		75,816		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	200,233	300,215	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) **Stmt 2**	1,225	1,225		
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions) **Stmt 3**	2,992	2,992		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	1,893	1,893		
	22	Printing and publications				
	23	Other expenses (att. sch) **Stmt 4**	24	24		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	6,134	6,134	0	0
	25	Contributions, gifts, grants paid	285,000			285,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	291,134	6,134	0	285,000
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-90,901			
	b	**Net investment income** (if negative, enter -0-)		294,081		
	c	**Adjusted net income** (if negative, enter -0-)			0	

RECEIVED MAY 1 2014 OGDEN, UT

SCANNED MAY 2 1 2014

For Paperwork Reduction Act Notice, see instructions.

DAA

G14

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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets 1	Cash – non-interest-bearing	8,591	7,834	7,834
2	Savings and temporary cash investments	36,090	103,773	103,773
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 (att schedule) ▶			
	Less allowance for doubtful accounts ▶ 0			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments – U.S. and state government obligations (attach schedule) Stmt 5	454,731	1,589,700	1,563,220
b	Investments – corporate stock (attach schedule) See Stmt 6	764,353	1,966,594	2,515,180
c	Investments – corporate bonds (attach schedule) See Stmt 7	4,037,700	1,542,663	1,498,011
11	Investments – land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
12	Investments – mortgage loans			
13	Investments – other (attach schedule)			
14	Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
15	Other assets (describe ▶)			
16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	5,301,465	5,210,564	5,688,018
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 (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 ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted	5,301,465	5,210,564	
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, bldg, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see instructions)	5,301,465	5,210,564	
31	**Total liabilities and net assets/fund balances** (see instructions)	5,301,465	5,210,564	

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	5,301,465
2	Enter amount from Part I, line 27a	2	-90,901
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	5,210,564
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	5,210,564

DAA

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	Capital Gain Distribution			
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	75,816			75,816
b				
c				
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				75,816
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** 75,816

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**

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	292,489		
2011	297,676		
2010	108,469		
2009	40,000		
2008	40,000		

		Line	Amount
2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	0
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2,941
7	Add lines 5 and 6	7	2,941
8	Enter qualifying distributions from Part XII, line 4	8	285,000

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

DAA

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 ▶ [X] and enter 1% of Part I, line 27b	1	2,941
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	2,941
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	2,941
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013 — 6a		
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	
8	Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached	8	56
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	2,997
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶ Refunded ▶	11	

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? N/A	1c		
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
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) ▶ **AZ**			
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

DAA

Part VII-A Statements Regarding Activities (continued)

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

Website address ▶ N/A

14 The books are in care of ▶ E Edward Trapp CPA Telephone no ▶ 602-228-6718
3509 E Shea Blvd #117F
Located at ▶ Phoenix AZ ZIP+4 ▶ 85028

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

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

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

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

				Yes	No
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?	N/A	1c		
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)	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 ▶ 20 , 20 , 20 , 20				
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)? (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)?	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 (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
Dolores G de Werd 4314 East Fairmount	Phoenix AZ 85018	President 8.00	0	0	0
Susan L de Werd 1540 Sapphire Lane	Vista CA 92081	Secretary 2.00	0	0	0
Cynthia McGregor 262 Bonair Street	La Jolla CA 92037	Vice Pres. 2.00	0	0	0
Sandra Morse 1685 Schiffer	Bullhead City AZ 86426	Treasurer 2.00	0	0	0

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

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

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

DAA

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 ▶		

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 (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 ▶	

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	0
b	Average of monthly cash balances		1b	0
c	Fair market value of all other assets (see instructions)		1c	0
d	**Total** (add lines 1a, b, and c)		1d	0
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	0
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)		4	0
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	0
6	**Minimum investment return.** Enter 5% of line 5		6	0

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	
2a	Tax on investment income for 2013 from Part VI, line 5	2a 2,941		
b	Income tax for 2013 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	2,941
3	Distributable amount before adjustments Subtract line 2c from line 1		3	
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	
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	0

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	285,000
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	285,000
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	2,941
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	282,059

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

DAA

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					0
2 Undistributed income, if any, as of the end of 2013					
a Enter amount for 2012 only					
b Total for prior years 20____ , 20____ , 20____					
3 Excess distributions carryover, if any, to 2013					
a From 2008					
b From 2009					
c From 2010					
d From 2011	3,048				
e From 2012	177,980				
f **Total** of lines 3a through e		181,028			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 285,000					
a Applied to 2012, but not more than line 2a					
b Applied to undistributed income of prior years (Election required – see instructions)					
c Treated as distributions out of corpus (Election required – see instructions)					
d Applied to 2013 distributable amount					
e Remaining amount distributed out of corpus		285,000			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		466,028			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b Taxable amount – see instructions					
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount – see instructions					
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)					
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)					
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a		466,028			
10 Analysis of line 9					
a Excess from 2009					
b Excess from 2010					
c Excess from 2011	3,048				
d Excess from 2012	177,980				
e Excess from 2013	285,000				

DAA

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

1a 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			(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
2a 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))

N/A

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

N/A

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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

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 8				285,000
Total			▶ 3a	285,000
b Approved for future payment				
N/A				
Total			▶ 3b	

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 (See instructions)
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					236,329
4 Dividends and interest from securities					36,378
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					-72,474
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		0	200,233

13 **Total.** Add line 12, columns (b), (d), and (e) 13 200,233

(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	

DAA

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

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

Dolores G DeWerd | 5-6-2014 | President

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
E Edward Trapp CPA	E Edward Trapp CPA	04/28/14	
Firm's name ▶ E. Edward Trapp Ltd.		PTIN	P00101947
Firm's address ▶ 3509 E Shea Blvd Ste 117-F Phoenix, AZ 85028-3339		Firm's EIN ▶ 86-0974902 / Phone no 602-228-6718	

DAA

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

Name of the organization	Employer identification number
Teaumen & Grace Fuite Foundation	86-0744807

Organization type (check one)

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization: Teaumen & Grace Fuite Foundation

Employer identification number: 86-0744807

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	see attached	$ 285,000	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description: Whom Sold	Description: Date Acquired	Description: Date Sold	How Received / Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
see attached	Various	Various	Purchase $ 642,071	$ 642,485	$	$	$ -414
see attached	Various	Various	Purchase 1,014,511	1,162,387			-147,876
Total			$ 1,656,582	$ 1,804,872	$ 0	$ 0	$ -148,290

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 1,225	$ 1,225	$	$
Total	$ 1,225	$ 1,225	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
foreign	$ 377	$ 377	$	$
excise	2,615	2,615		
Total	$ 2,992	$ 2,992	$ 0	$ 0

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
bank service charges	24	24		
Total	$ 24	$ 24	$ 0	$ 0

Statement 5 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
fixed income-muni bonds	$ 454,731	$ 1,589,700	Cost	$ 1,563,220
Total	$ 454,731	$ 1,589,700		$ 1,563,220

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
fixed income-asset backed securities	$ 764,353	$ 721,517	Cost	$ 750,853
equities		442,089	Cost	546,173
mutual funds		802,988	Cost	1,218,154
Total	$ 764,353	$ 1,966,594		$ 2,515,180

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
fixed income-corporate	$ 4,021,578	$ 1,542,663	Cost	$ 1,498,011
Corestone	16,122		Cost	
Total	$ 4,037,700	$ 1,542,663		$ 1,498,011

Federal Statements

Statement 8 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name Address	Address Relationship	Status	Purpose	Amount
Chrisis Nursery Phoenix AZ 85006	2334 E Polk Street	501 C-3	General	20,000
San Diego Brain Injury Foundation San Diego CA 92138	PO Box 84601	501 C-3	General	10,000
St Marys Food Bank Phoenix AZ 85009	2841 N 31st Avenue	501 C-3	General	40,000
Civitan Foundation, Inc. Phoenix AZ 85032	12635 N 42nd Street	501 C-3	General	30,000
Caves County CASA Roswell NM 88202	PO Box 2131	501 C-3	General	30,000
Hospice of the Valley Phoenix AZ 85014	1510 E Flower Street	501 C-3	General	5,000
Alzheimer's Drug New York NY 10019	1414 Avenue of the	501 C-3	General	30,000
Southwest Autism Research & Phoenix AZ 85006	300 N 18th Street	501C-3	General	10,000
American Tinnitus Assn Portland OR 97208	PO Box 5	501C-3	General	10,000
Breast Cancer Research Foundation New York NY 10022	60 East 56th Street	501C-3	General	10,000
River Fund Inc Laughlin NV 89029	55 Civic Way	501C-3	General	40,000
Interfaith Shelter Network San Diego CA 92108	3530 Camino Del Rio North		General	15,000
YMCA San Diego County San Diego CA 92101	1012 C Street		General	30,000
Stop Food Borne Illness Chicago IL 60613	3759 N Ravenswood #224		General	5,000
Total				285,000

LAWSON FINANCIAL CORPORATION
INVESTMENT BANKERS SECURITY BROKERS
LAWSON FINANCIAL CORPORATION
3352 E-CAMELBACK ROAD
PHOENIX-AZ-85018
(602) 381-8588

CORESTONE ACCOUNT

Statement Period: 12/01/2013 - 12/31/2013

Money Market Fund Detail

Date	Activity Type	Description	Amount	Balance
Sweep Money Market Fund				
GENERAL MNY-MKT FUND CL B				
Account Number 0000589293 Current Yield 0.01% Activity Ending 12/31/13				
11/30/13	Opening Balance		150,682 05	150,682 05
12/03/13	Deposit	MONEY FUND PURCHASE	12,826 77	163,508 82
12/04/13	Deposit	MONEY FUND PURCHASE	240.00	163,748 82
12/06/13	Withdrawal	MONEY FUND REDEMPTION	-1,805 31	161,943 51
12/11/13	Withdrawal	MONEY FUND REDEMPTION	-8,623.20	153,320 31
12/12/13	Withdrawal	MONEY FUND REDEMPTION	-88,015 00	65,305 31
12/17/13	Deposit	MONEY FUND PURCHASE	82,677 41	147,982 72
12/18/13	Deposit	MONEY FUND PURCHASE	224.72	148,207 44
12/20/13	Deposit	MONEY FUND PURCHASE	175 50	148,382 94
12/23/13	Withdrawal	MONEY FUND REDEMPTION	-61,222.95	87,159 99
12/26/13	Deposit	MONEY FUND PURCHASE	6,527 47	93,687 46
12/27/13	Deposit	MONEY FUND PURCHASE	2,635 52	96,322 98
12/30/13	Deposit	MONEY FUND PURCHASE	60 00	96,382 98
12/31/13	Deposit	MONEY FUND PURCHASE	3,082.64	99,465 62
12/31/13	Deposit	INCOME REINVEST	1 05	99,466 67
12/31/13	**Closing Balance**			**$99,466.67**
Total All Money Market Funds				**$99,466.67**

Schedule of Realized Gains and Losses Year-to-Date

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Short Term							
01/08/13	05/17/12*	RPP	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 6,262 05	50,000 000	6,262 05	6,262.05	0 00
01/28/13	08/28/12*	RDMG First In First Out	RESIDENTIAL FDG MTG MTG PASS THRU CTFS 2004-SR1 M TG PASSTHRU CTF CL 5 600% 09/ Security Identifier 76111XKZ5 Original Cost Basis 999 93	1,000 000	999 93	1,000 00	0 07

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Short Term *(continued)*							
02/07/13	05/17/12*	RPP	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 3,123 48	50,000 000	3,123 48	3,123 47	-0 01
02/15/13	12/13/12*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 6 700% 06/15/ 14 B/E DTD 06/11/02 CLB Security Identifier 37042GYT7 Original Cost Basis 5,025 30	5,000 000	5,014 05	5,000 00	-14 05
02/26/13	05/07/12*	RPP	CHASE MTG FIN TR 200 G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 8,449 87	66,000 000	8,449 87	8,646 17	196 30
03/07/13	05/17/12*	RPP	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 2,838 60	50,000 000	2,838 60	2,838 59	-0 01
03/15/13	12/26/12*	MAT First In First Out	TRANSOCEAN INC SR NT 3830AR03 5 250% 03/15/13 B/E DTD 12/11/07 CLB Security Identifier 893830AR0 Original Cost Basis 227,075 00	225,000 000	225,000 00	225,000 00	0 00
03/25/13	05/07/12*	RPP	CHASE MTG FIN TR 200 G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 6,978 54	66,000 000	6,978 54	7,140 66	162 12
03/25/13	08/28/12*	RDMG First In First Out	RESIDENTIAL FDG MTG MTG PASS THRU CTFS 2004-SR1 M TG PASSTHRU CTF CL 5 600% 09/ Security Identifier 76111XKZ5 Original Cost Basis 999 93	1,000 000	999 93	1,000 00	0 07
04/05/13	05/17/12*	RPP	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 2,312 60	50,000 000	2,312 60	2,312 60	0 00
04/25/13	05/07/12*	RPP	CHASE MTG FIN TR 200 G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 5,835 76	66,000 000	5,835 76	5,971 33	135 57
05/07/13	05/17/12*	RPP	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 6,425 99	50,000 000	6,425 99	6,425 99	0 00

Schedule of Realized Gains and Losses Year-to-Date (continued)

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Short Term (continued)							
05/28/13	08/28/12*	RDMG First-In-First-Out	RESIDENTIAL FDC MTG MTG PASS THRU CTFS 2004-SRI M TG PASSTHRU CTF-CL-5 600% 09/ Security Identifier 76111XKZ5 Original Cost Basis 999 93	1,000 000	999 93	1,000.00	0 07
06/03/13	08/24/12*	RDMG First In First Out	OTERO CNTY N MEX JAI 8 250% 12/01/23 B/E DTD 06/2 7/02 PRF Security Identifier 688824AC5 Original Cost Basis 10,255 00	10,000 000	10,200.00	10,100 00	-100 00
06/03/13	09/12/12*	RDMG First In First Out	OTERO CNTY N MEX JAI 8 250% 12/01/23 B/E DTD 06/2 7/02 PRF Security Identifier 688824AC5 Original Cost Basis 5,131 50	5,000 000	5,100 00	5,050.00	-50 00
06/03/13	11/19/12*	RDMG First In First Out	OTERO CNTY N MEX JAI 8 250% 12/01/23 B/E DTD 06/2 7/02 PRF Security Identifier 688824AC5 Original Cost Basis 10,320 20	10,000 000	10,101 19	10,100.00	-1 19
06/03/13	01/04/13*	RDMG First In First Out	OTERO CNTY N MEX JAI 8 250% 12/01/23 B/E DTD 06/2 7/02 PRF Security Identifier 688824AC5 Original Cost Basis 10,247 00	10,000 000	10,101 05	10,100.00	-1 05
06/03/13	12/12/12*	RDMG First In First Out	UNIVERSITY ARIZ CTFS V ARIZ PROJS-SER B 5 000% 06/01/31 B/E DTD 10/01/03 PRF Security Identifier 914060BL1 Original Cost Basis 10,185 00	10,000 000	10,001 11	10,000.00	-1 11
06/10/13	11/28/12*	RDMG First-In-First Out	CARLSBAD N MEX HSG C AMILY REV HSG-COLONIAL HILLCRE ST 7 375% 08/15/27 B/E DTD 08 Security Identifier 142728AB0 Original Cost Basis 48,755 00	50,000 000	49,999 99	50,000 00	0 01
06/10/13	01/14/13*	RDMG First In First Out	CARLSBAD N MEX HSG C AMILY REV HSG-COLONIAL HILLCRE ST 7 375% 08/15/27 B/E DTD 08 Security Identifier 142728AB0 Original Cost Basis 44,397 00	50,000 000	49,999 99	50,000 00	0 01
06/25/13	08/28/12*	RDMG First In First Out	RESIDENTIAL FDC MTG MTG PASS THRU CTFS 2004-SRI M TG PASSTHRU CTF CL 5 600% 09/ Security Identifier 76111XKZ5 Original Cost Basis: 999 93	1,000.000	999 93	1,000.00	0 07

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Short-Term *(continued)*							
07/01/13	06/05/13*	RDMG First In First Out	ARIZONA TOURISM &-SP TAX REV MULTIPURPOSE STADIUM F AC-SER A 5 000% 07/01/31 B/E Security Identifier 040677AX4 Original Cost Basis 25,065 00	25,000 000	25,000 00	25,000 00	0 00
07/01/13	10/16/12*	RDMG First In First Out	ORO VALLEY ARIZ MUN REV RFDG-SR LIEN-WTR PROJ 5 0 00% 07/01/28 B/E DTD 12/01/03 Security Identifier 687021BN4 Original Cost Basis 46,337 00	45,000 000	44,999 99	45,000 00	0 01
07/25/13	08/28/12*	RDMG First In First Out	RESIDENTIAL FDG MTG MTG PASS THRU CTFS 2004-SR1 M TG PASSTHRU CTF CL 5 600% 09/ Security Identifier 76111XKZ5 Original Cost Basis 999 94	1,000 000	999 94	1,000 00	0 06
08/15/13	07/16/13*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7 500% 11/15/ 16 B/E DTD 11/06/01 CLB Security Identifier 37042GTA4 Original Cost Basis 5,005 00	5,000 000	5,000 00	5,000 00	0 00
08/15/13	02/13/13*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7 000% 08/15/ 18 B/E DTD 08/05/03 CLB Security Identifier 37042G6J0 Original Cost Basis 10,239 50	10,000 000	9,999 99	10,000 00	0 01
08/19/13	10/26/12*	RDMG First In First Out	YAVAPAI CNTY ARIZ IN H HOSP REV YAVAPAI REGL MED CT R-SER A 6 000% 08/01/33 B/E D Security Identifier 985900BL2 Original Cost Basis 10,377 40	10,000 000	10,377 39	10,000 00	-377 39
09/01/13	07/24/13*	MAT First In First Out	LOS ANGELES CALIF MU P LEASE REV POLICE EMERGENCY-S ER F 4 000% 09/01/13 B/E DTD Security Identifier 544587HJ0 Original Cost Basis 15,032 75	15,000 000	15,000 00	15,000 00	0 00
09/16/13	10/19/12*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES FIXED RT SMARTNOTES 6 05 0% 08/15/19 B/E DTD 08/31/04 C Security Identifier 3704A0QH8 Original Cost Basis 18,981 25	19,000 000	18,999 99	19,000 00	0 01
09/16/13	07/16/13*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 6 500% 06/15/ 18 B/E DTD 06/24/03 CLB Security Identifier 37042G5F9 Original Cost Basis 10,005 00	10,000 000	10,002 88	10,000 00	-2 88
10/01/13	05/08/13*	RDMG First In First Out	HILLSBOROUGH CNTY FL AUTH HOSP REV TAMPA GEN HOSP PJ-SER B 5 450% 10/01/34 B/E Security Identifier 43233ABZ8 Original Cost Basis 10,155 00	10,000 000	9,999 99	10,000 00	-0 01

LAWSON FINANCIAL CORPORATION
LAWSON FINANCIAL CORPORATION
3352 E CAMELBACK ROAD
PHOENIX AZ 85018
(602) 381-8588

CORESTONE ACCOUNT

Statement Period: 12/01/2013 - 12/31/2013

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Short Term *(continued)*							
10/10/13	07/09/13*	MAT First In First Out	HOUSEHOLD FIN CORP I INFLATION PROTECTION INTERNOTE S 0.000% 10/10/13 B/E DTD 10/ Security Identifier 44181EYS1 Original Cost Basis: 30,180.50	30,000.000	30,180.50	30,000.00	-180.50
12/02/13	07/29/13*	RDMG First In First Out	OTERO CNTY N MEX JAI 6.750% 12/01/14 B/E DTD 08/2 7/04 CLB Security Identifier: 688824AE1 Original Cost Basis: 5,077.80	5,000.000	4,999.99	5,000.00	0.01
12/15/13	06/26/13*	MAT First In First Out	SLM CORP EDNOTES FLT-ES 0.000% 12/15/13 B/E DTD 09/08/06 Security Identifier: 78490FZP7 Original Cost Basis 35,180.00	35,000.000	35,180.00	35,000.00	-180.00
Total Short Term					**$642,484.65**	**$642,070.86**	**-$413.79**
Long Term							
01/01/13	12/15/05*	MAT First In First Out	YUMA ARIZ IMPT DIST 3.700% 01/01/13 B/E DTD 03/0 1/04 Security Identifier 98851GAH1 Original Cost Basis 24,544.00	25,000.000	24,999.95	25,000.00	0.05
01/03/13	09/21/09*	SELL First In First Out	AMERICAN INTL GROUP SR NT FULL EXCHANGE FROM OLD CUSIP 026874AS6 4.250% 05/15 Security Identifier: 026874AT4 Original Cost Basis 45,845.00	53,000.000	45,845.00	53,159.30	7,314.30
01/03/13	11/03/08*	SELL First In First Out	PROTECTIVE LIFE SECD NOTES INFLATION PROTECTED INTE RNOTES 5.570% 12/10/14 B/E DT Security Identifier 74367CCD5 Original Cost Basis. 10,762.34	14,000.000	10,762.50	14,016.00	3,253.50
01/08/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5.500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 479.69	13,000.000	479.69	479.68	-0.01
01/16/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 1998-12 CL E 6.500% 05/20/28 B/E DTD 05/01/98 Security Identifier 3837H1MJ7 Original Cost Basis 19.32	40,000.000	19.32	19.32	0.00

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
01/16/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 148 21	50,000 000	148 21	148 21	0 00
01/29/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 1,930 20	2,000 000	1,930 20	2,000 00	69 80
02/06/13	04/21/11*	RDMG First In First Out	PRIME MTG TR 2005-1 RU CTF CL I-A-3 5 350% 03/25/ 35 B/E DTD 01/01/05 Security Identifier 74160MGL0 Original Cost Basis 999 01	1,000 000	999 01	1,000 00	0 99
02/07/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5 500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 775 18	13,000 000	775 18	775 18	0 00
02/15/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 111 44	50,000 000	111 44	111 43	-0 01
02/20/13	11/03/08*	FPPG First In First Out	GNMA GTD REMIC PASS REMIC TR 1998-12 CL E 6 500% 05/20/28 B/E DTD 05/01/98 Security Identifier 3837H1MJ7 Original Cost Basis 1,726 86	40,000 000	1,726 86	0 00	-1,726 86
02/26/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 2,895 30	3,000 000	2,895 30	3,000 00	104 70
02/27/13	04/21/11*	RDMG First In First Out	PRIME MTG TR 2005-1 RU CTF CL I-A-3 5 350% 03/25/ 35 B/E DTD 01/01/05 Security Identifier 74160MGL0 Original Cost Basis 999 01	1,000 000	999 01	1,000 00	0 99
03/05/13	11/03/08*	RDMG First In First Out	PHOENIX ARIZ CIVIC I RPT REV SER B FGIC-MBIA RE 5 250% 07/01/21 REG DTD 05/01/02 Security Identifier 71883MCL6 Original Cost Basis 40,052 00	40,000 000	40,000 00	40,000 00	0 00
03/07/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5 500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 1,088 34	13,000 000	1,088 34	1,088 34	0 00

LAWSON FINANCIAL CORPORATION
LAWSON FINANCIAL CORPORATION
3352 E CAMELBACK ROAD
PHOENIX AZ 85018
(602) 381-8588

CORESTONE ACCOUNT™

Statement Period: 12/01/2013 - 12/31/2013

Schedule of Realized Gains and Losses Year-to-Date (continued)

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
03/15/13	12/21/10*	RDMG First In First Out	SLM CORP EDNOTES STE ES 7.000% 03/15/21 B/E DTD 02/03/05 CLD Security Identifier 78490FSG5 Original Cost Basis 8,980.00	10,000.000	9,999.99	10,000.00	0.01
03/18/13	11/03/08*	RPP	GNMA GTD REMIC PASS-REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier: 383739DB2 Original Cost Basis. 131.58	50,000.000	131.58	131.58	0.00
03/25/13	07/08/11*	RDMG First-In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5.75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier: 05949CPX8 Original Cost Basis: 5,790.60	6,000.000	5,790.60	6,000.00	209.40
03/25/13	05/12/10*	MAT First In First Out	INTERNATIONAL LEASE MEDIUM TERM NTS MEDIUM-TERM NT-S 6 375% 03/25/13 B/E DTD 03/ Security Identifier 45974VB72 Original Cost Basis 24,036.25	25,000.000	24,999.88	25,000.00	0.12
04/05/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5.500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier: 31394LZ54 Original Cost Basis 817.66	13,000.000	817.66	817.66	0.00
04/15/13	10/20/11*	MAT First In First Out	HARTFORD LIFE INS CO ES FLTG RATE INCOME NTS 0.000 % 04/15/13 B/E DTD 04/10/08 Security Identifier 4165X0MQ0 Original Cost Basis 38,432 50	38,000.000	38,432.50	38,000.00	-432.50
04/22/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis. 119 55	50,000.000	119.55	119.55	0.00
04/25/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 2,895 30	3,000.000	2,895.30	3,000.00	104.70

Account Number 6UT-019288
TEAUMEN & GRACE ELITE FOUNDATION

PAR 02-ROLL

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
05/07/13	11/03/08	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5 500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 911 24	13,000 000	911 24	911 23	-0 01
05/13/13	09/09/10	RDMG First In First Out	HORNBECK OFFSHORE SV GTD SR NT SER B 8 000% 09/01 /17 B/E DTD 08/17/09 CLB Security Identifier 440543AH9 Original Cost Basis 48,880 00	50,000 000	53,101 49	53,101 50	0 01
05/16/13	11/03/08	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 81 79	50,000 000	81 79	81 78	-0 01
05/22/13	04/05/11	DWSG First In First Out	GEOKINETICS HLDGS IN ECD NT 9 750% 12/15/14 B/E DT D 12/23/09 CLB Security Identifier 37252CAB6 Original Cost Basis 60,532 50	62,000 000	61,118 01	0 00	-61,118 01
05/22/13	05/20/11	DWSG First In First Out	GEOKINETICS HLDGS IN ECD NT 9 750% 12/15/14 B/E DT D 12/23/09 CLB Security Identifier 37252CAB6 Original Cost Basis 17,005 00	17,000 000	17,002 25	0 00	-17,002 25
05/22/13	06/03/11	DWSG First In First Out	GEOKINETICS HLDGS IN ECD NT 9 750% 12/15/14 B/E DT D 12/23/09 CLB Security Identifier 37252CAB6 Original Cost Basis 17,982 50	18,000 000	17,989 16	0 00	-17,989 16
05/22/13	07/26/11	DWSG First In First Out	GEOKINETICS HLDGS IN ECD NT 9 750% 12/15/14 B/E DT D 12/23/09 CLB Security Identifier 37252CAB6 Original Cost Basis 24,973 75	25,000 000	24,983 18	0 00	-24,983 18
05/28/13	07/08/11	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 1,930 20	2,000 000	1,930 20	2,000 00	69 80
05/28/13	05/07/12	RPP	CHASE MTG FIN TR 200 G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 20,824 21	66,000 000	20,824 21	21,307 99	483 78
06/03/13	06/02/10	RDMG First In First Out	PLAINS EXPL & PRODTN 7 625% 06/01/18 B/E DTD 05/23 /08 CLB Security Identifier 726505AF7 Original Cost Basis 34,340 00	36,000 000	37,372 67	37,372 68	0 01

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
06/07/13	05/17/12*	RPP	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 2,290 50	50,000 000	2,290 50	2,290 49	-0 01
06/07/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5 500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 548 60	13,000 000	548 60	548 60	0 00
06/17/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 71 25	50,000 000	71 25	71 25	0.00
06/25/13	05/07/12*	RPP	CHASE MTG FIN TR 200-G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 6,747 69	66,000 000	6,747 69	6,904 45	156 76
06/26/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 1,930 20	2,000 000	1,930 20	2,000 00	69 80
06/28/13	04/21/11*	RDMG First In First Out	PRIME MTG TR 2005-1-RU CTF CL I-A-3 5.350% 03/25/35 B/E DTD 01/01/05 Security Identifier 74160MGL0 Original Cost Basis 999 01	1,000 000	999 01	1,000 00	0 99
07/01/13	12/12/05*	RDMG First In First Out	CHANDLER ARIZ 3 625 B/E DTD 06/01/03 PRE Security Identifier 158843SC7 Original Cost Basis 52,041 00	55,000 000	54,999 99	55,000 00	0 01
07/08/13	05/17/12*	RPP	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 3,943 89	50,000.000	3,943.89	3,943 88	-0.01

[redacted]

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
07/08/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL CD 5 500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 253 90	13,000 000	253 90	253 89	-0 01
07/15/13	09/10/09*	MAT First In First Out	HARTFORD FINL SVCS G R NT 4 625% 07/15/13 B/E DTD 01/15/04 Security Identifier 416515AL8 Original Cost Basis 82,025 00	85,000 000	84,999 99	85,000 00	0 01
07/17/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 107 87	50,000 000	107 87	107 87	0 00
07/25/13	05/07/12*	RPP	CHASE MTG FIN TR 200 G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 4,882 31	66,000 000	4,882 31	4,995 73	113 42
07/25/13	07/07/11*	RDMG First In First Out	STRUCTURED ASSET SEC 3-8 MTG PASSTHRU CTF CL 2-A11 5 750% 04/25/33 B/E DTD 03/01 Security Identifier 86359ASP9 Original Cost Basis 27,635 00	30,000 000	27,635 00	30,000 00	2,365 00
07/26/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 2,895 30	3,000 000	2,895 30	3,000 00	104 70
07/26/13	04/27/11*	RDMG First In First Out	CREDIT SUISSE FIRST SECS CORP 2005-5 MTG PASSTHRU CTF CL II-A-6 6 000% 07/25/3 Security Identifier 225458TM0 Original Cost Basis 932 92	1,000 000	932 92	1,000 00	67 08
08/07/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5 500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 230 24	13,000 000	230 24	230 23	-0 01
08/15/13	05/17/12*	FPPG First In First Out	FHLMC MULTICLASS MTG S GTD SER 4039 CL UA 3 000% 0 4/15/42 B/E DTD 05/01/12 Security Identifier 3137AQR91 Original Cost Basis 787 28	50,000 000	787 28	0 00	-787 28
08/15/13	08/09/11*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7 500% 11/15/ 17 B/E DTD 11/26/02 CLB Security Identifier 37042GN51 Original Cost Basis 14,810 00	15,000 000	14,999 99	15,000 00	0 01

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
08/15/13	04/29/10*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7.250% 08/15/ 18 B/E DTD 08/12/03 CLB Security Identifier: 37042G6Q4 Original Cost Basis: 23,896 66	26,000 000	25,999 99	26,000 00	0 01
08/15/13	05/12/10*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7.250% 08/15/ 18 B/E DTD 08/12/03 CLB Security Identifier: 37042G6Q4 Original Cost Basis: 9,105 00	10,000 000	9,999 99	10,000 00	0 01
08/15/13	05/13/10*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7.250% 08/15/ 18 B/E DTD 08/12/03 CLB Security Identifier: 37042G6Q4 Original Cost Basis: 4,555 00	5,000 000	4,999 99	5,000 00	0 01
08/15/13	05/13/10*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7 250% 08/15/ 18 B/E DTD 08/12/03 CLB Security Identifier: 37042G6Q4 Original Cost Basis: 9,100 00	10,000 000	9,999 99	10,000 00	0 01
08/15/13	06/17/10*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7 250% 08/15/ 18 B/E DTD 08/12/03 CLB Security Identifier: 37042G6Q4 Original Cost Basis: 20,503 75	23,000 000	22,999.99	23,000.00	0 01
08/15/13	07/06/10*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7 250% 08/15/ 18 B/E DTD 08/12/03 CLB Security Identifier: 37042G6Q4 Original Cost Basis 6,366 25	7,000 000	6,999 99	7,000.00	0 01
08/15/13	07/07/10*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 7 250% 08/15/ 18 B/E DTD 08/12/03 CLB Security Identifier: 37042G6Q4 Original Cost Basis 16,340 00	18,000 000	17,999.99	18,000.00	0 01
08/15/13	11/03/08*	RPP	GNMA GTD REMIC PASS-REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis. 70 53	50,000 000	70 53	70 52	-0 01

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
08/26/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 2,895 30	3,000 000	2,895 30	3,000 00	104 70
08/26/13	05/07/12*	RPP	CHASE MTG FIN TR 200 G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 5,061 43	66,000 000	5,061 43	5,179 01	117 58
08/26/13	04/27/11*	RDMG First In First Out	CREDIT SUISSE FIRST SECS CORP 2005-5 MTG PASSTHRU CTF CL II-A-6 6 000% 07/25/3 Security Identifier 225458TM0 Original Cost Basis 932 92	1,000 000	932 92	1,000 00	67 08
08/30/13	01/17/12*	RDMG First In First Out	UNITED REFINING CO U G CO GTD SR SECD NT 10 500% 02 /28/18 B/E DTD 03/08/11 CLB Security Identifier 911358AK5 Original Cost Basis 33,733 00	35,000 000	38,674 99	38,675 00	0 01
09/05/13	04/21/11*	RDMG First In First Out	PRIME MTG TR 2005-1 RU CTF CL I-A-3 5 350% 03/25/35 B/E DTD 01/01/05 Security Identifier 74160MGL0 Original Cost Basis 427 58	428 000	427 58	428 00	0 42
09/09/13	11/03/08*	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5 500% 1 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 330 20	13,000 000	330 20	330 20	0 00
09/09/13	04/21/11*	RDMG Versus Purchase	PRIME MTG TR 2005-1 RU CTF CL I-A-3 5 350% 03/25/35 B/E DTD 01/01/05 Security Identifier 74160MGL0 Original Cost Basis 999 01	1,000 000	999 01	1,000 00	0 99
09/16/13	09/10/12*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 6 000% 03/15/19 B/E DTD 03/16/04 CLB Security Identifier 3704A0HK1 Original Cost Basis 26,999 60	27,000 000	26,999 99	27,000 00	0 01
09/16/13	06/24/11*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES FIXED RT SMARTNOTES 6 05 0% 08/15/19 B/E DTD 08/31/04 C Security Identifier 3704A0QH8 Original Cost Basis 19,955 00	21,000 000	20,999 99	21,000 00	0 01
09/16/13	07/01/11*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES FIXED RT SMARTNOTES 6 05 0% 08/15/19 B/E DTD 08/31/04 C Security Identifier 3704A0QH8 Original Cost Basis 19,850 00	21,000 000	20,999 99	21,000 00	0 01

CORPORATION
... CORPORATION
... E CAMELBACK ROAD
PHOENIX AZ 85018
(602) 381-8588

CORESTONE ACCOUNT

Schedule of Realized Gains and Losses Year-to-Date (continued)

Statement Period: 12/01/2013 - 12/31/2013

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term (continued)							
09/16/13	08/03/11	RDMG First-In-First Out	GENERAL MTRS ACCEP C OTES FIXED RT SMARTNOTES 6.05 0% 08/15/19 B/E DTD 08/31/04 C Security Identifier 3704A0QH8 Original Cost Basis 17,015.00	18,000.000	17,999.99	18,000.00	0.01
09/16/13	05/13/10	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 6.700% 08/15/16 B/E DTD 08/07/01 CLB Security Identifier 37042GPX8 Original Cost Basis 9,055.00	10,000.000	9,999.99	10,000.00	0.01
09/16/13	05/17/10	RDMG First-In-First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 6.700% 08/15/16 B/E DTD 08/07/01 CLB Security Identifier 37042GPX8 Original Cost Basis 13,655.00	15,000.000	14,999.99	15,000.00	0.01
09/16/13	05/21/10	RDMG First In First Out	GENERAL MTRS ACCEP C OTES SMARTNOTES 6.700% 08/15/16 B/E DTD 08/07/01 CLB Security Identifier 37042GPX8 Original Cost Basis 57,936.25	65,000.000	64,999.99	65,000.00	0.01
09/17/13	11/03/08	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6.500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 112.57	50,000.000	112.57	112.56	-0.01
09/18/13	10/30/07	SELL First In First Out	DHT HOLDINGS INC SHS MHY2065G1219 Security Identifier DHT	45.832	8,343.91	176.99	-8,166.92
09/18/13	11/21/07	SELL First In First Out	DHT HOLDINGS INC SHS MHY2065G1219 Security Identifier DHT	37.500	5,394.46	144.81	-5,249.65
09/18/13	02/21/08	SELL First In First Out	DHT HOLDINGS INC SHS MHY2065G1219 Security Identifier DHT	54.167	8,020.45	209.17	-7,811.28
9/18/13	05/08/08	SELL First-In First Out	DHT HOLDINGS INC SHS MHY2065G1219 Security Identifier DHT	37.500	4,701.47	144.81	-4,556.66
/18/13	01/24/11	SELL First In First Out	DIANA CONTAINERSHIPS SIN#MHY2069P1016 Security Identifier DCIX	0.414	5.67	1.45	-4.22
18/13	01/24/11	SELL First-In First Out	DIANA CONTAINERSHIPS SIN#MHY2069P1016 Security Identifier DCIX	16.922	231.64	59.35	-172.29

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
09/18/13	01/24/11	SELL First In First Out	DIANA CONTAINERSHIPS SIN#MHY2069P1016 Security Identifier DCIX	12 854	175 96	45 09	-130 87
09/18/13	01/24/11	SELL First In First Out	DIANA CONTAINERSHIPS SIN#MHY2069P1016 Security Identifier DCIX	0 725	10 94	2 54	-8 40
09/18/13	01/24/11	SELL First In First Out	DIANA CONTAINERSHIPS SIN#MHY2069P1016 Security Identifier DCIX	7 085	96 99	24 85	-72 14
09/18/13	02/01/11	SELL First In First Out	DIANA CONTAINERSHIPS SIN#MHY2069P1016 Security Identifier DCIX	500 000	6,201 65	1,753 78	-4,447 87
09/18/13	07/17/07*	SELL First In First Out	SPYGLASS RES CORP CO 521931011 Security Identifier SGLRF	158 600	1,974 43	247 53	-1,726 90
09/18/13	01/04/11	SELL First In First Out	SPYGLASS RES CORP CO 521931011 Security Identifier SGLRF	1,141 400	7,400 38	1,781 43	-5,618 95
09/18/13	03/27/01*	SELL First In First Out	WPX ENERGY INC COM Security Identifier WPX	166 000	3,861 59	3,126 11	-735 48
09/25/13	05/07/12*	RDMG First In First Out	CHASE MTG FIN TR 200 G PASSTHRU CTF CL A-7 5 500% 10/25/35 B/E DTD 09/01/05 Security Identifier 16162WLT4 Original Cost Basis 5,721 71	66,000 000	5,721 71	5,854 63	132 92
09/26/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 1,930 20	2,000 000	1,930 20	2,000 00	69 80
09/26/13	04/27/11*	RDMG First In First Out	CREDIT SUISSE FIRST SECS CORP 2005-5 MTG PASSTHRU CTF CL II-A-6 6 000% 07/25/3 Security Identifier 225458TM0 Original Cost Basis 1,865 83	2,000 000	1,865 83	2,000 00	134 17
09/27/13	04/21/11*	RDMG First In First Out	PRIME MTG TR 2005-1 RU CTF CL I-A-3 5 350% 03/25/ 35 B/E DTD 01/01/05 Security Identifier 74160MGL0 Original Cost Basis 999 01	1,000 000	999 01	1,000 00	0 99
10/15/13	05/20/10*	RDMC First In First Out	PHH CORP INTERNOTES 7 650% 04/15/18 B/E DTD 04/10/03 CLD Security Identifier 69334WDS7 Original Cost Basis 9,992 50	10,000 000	9,999 99	10,000 00	0 01
10/16/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 45 82	50,000 000	45 82	45 81	-0 01
10/28/13	07/08/11*	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 1,930 20	2,000 000	1,930 20	2,000 00	69 80

LAWSON FINANCIAL CORPORATION
3352 E CAMELBACK ROAD
PHOENIX AZ 85018
(602) 381-8588

CORESTONE ACCOUNT™

Statement Period: 12/01/2013 - 12/31/2013

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
11/07/13	11/03/08	RPP	FHLMC MULTICLASS MTG S GTD SER 2711 CL GD 5 500% 1/15/33 B/E DTD 11/01/03 Security Identifier 31394LZ54 Original Cost Basis 12 26	13,000 000	12 26	12 26	0 00
11/10/13	02/02/12	MAT First In First Out	HOUSEHOLD FIN CORP I INFLATION PROTECTED INTERNOTES 0 000% 11/10/13 B/E DTD 11/2 Security Identifier 44181EZN1 Original Cost Basis 15,305 00	15,000 000	15,305 00	15,000.00	-305 00
11/10/13	04/03/12	MAT First-In First Out	HOUSEHOLD FIN CORP I INFLATION PROTECTED INTERNOTES 0 000% 11/10/13 B/E DTD 11/2 Security Identifier 44181EZN1 Original Cost Basis 25,786 25	25,000 000	25,786 25	25,000 00	-786 25
11/10/13	07/25/12	MAT First In First Out	HOUSEHOLD FIN CORP I INFLATION PROTECTED INTERNOTES 0.000% 11/10/13 B/E DTD 11/2 Security Identifier 44181EZN1 Original Cost Basis 15,170 00	15,000 000	15,170 00	15,000 00	-170 00
11/18/13	11/03/08	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis 54 80	50,000 000	54 80	54 79	-0 01
11/26/13	07/08/11	RDMG First In First Out	BANC AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 2,895 30	3,000 000	2,895 30	3,000 00	104 70
11/26/13	04/27/11	RDMG First In First Out	CREDIT SUISSE FIRST SECS CORP 2005-5 MTG PASSTHRU CTF CL II-A-6 6 000% 07/25/3 Security Identifier 225458TM0 Original Cost Basis 932 91	1,000 000	932 91	1,000.00	67 09
12/15/13	10/20/11	MAT First In First Out	SLM CORP EDNOTES FLT ES 0 000% 12/15/13 B/E DTD 09/08/06 Security Identifier 78490FZP7 Original Cost Basis 32,180 00	33,000 000	32,180 00	33,000 00	820 00

[redacted]

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Disposition Transaction	Description	Quantity	Cost Basis	Proceeds	Realized Gain/Loss/ Disallowance
Long Term *(continued)*							
12/16/13	11/16/12*	RDMG First In First Out	GENERAL MTRS ACCEP C OTES STEP-UP SMARTNOTES 7 500 % 06/15/16 B/E DTD 06/02/04 CL Security Identifier 3704ACLP5 Original Cost Basis 12,191 00	12,000 000	12,191 00	12,000 00	-191 00
12/17/13	11/03/08*	RPP	GNMA GTD REMIC PASS REMIC TR 2001-1 CL TC 6 500% 02/20/31 B/E DTD 02/01/01 Security Identifier 383739DB2 Original Cost Basis. 42 61	50,000 000	42 61	42 61	0 00
12/31/13	07/08/11*	RDMG First In First Out	BANC-AMER MTG SECS I MTG PASSTHRU CTF CL A-1 5 75 0% 01/25/36 B/E DTD 12/01/05 Security Identifier 05949CPX8 Original Cost Basis 1,930 20	2,000 000	1,930 20	2,000 00	69 80
12/31/13	04/27/11*	RDMG First In First Out	CREDIT SUISSE FIRST SECS CORP 2005-5 MTG PASSTHRU CTF CL II-A-6 6 000% 07/25/3 Security Identifier 225458TM0 Original Cost Basis 932 92	1,000 000	932 92	1,000 00	67 08
Total Long Term					**$1,162,387.14**	**$1,014,511.12**	**-$147,876.02**
Total Short Term and Long Term					**$1,804,871.79**	**$1,656,581.98**	**-$148,289.81**

* Noncovered under the cost basis rules as defined below

Securities acquired before 2011 are generally not subject to the new cost basis reporting rules set forth in the Internal Revenue Code of 1986, as amended ("IRC") (incorporating amendments enacted by P L 110-343, the Emergency Economic Stabilization Act of 2008) and are, therefore, considered "noncovered," under the new cost basis reporting rules, and marked or denoted as such All other securities in this section are securities which are "covered" under the new cost basis reporting rules Securities which are "covered" under the new cost basis reporting rules are defined as securities which have been acquired on or after their "applicable date(s)" at which they are subject to the cost basis reporting rules and the adjusted basis will be reported to the IRS on form 1099-B for the applicable tax year in which the security is disposed

Reporting requirements generally will be phased in over a three-year period, as follows

- Stock in a corporation acquired on or after January 1, 2011
- Mutual funds and dividend reinvestment plan (DRP) shares acquired on or after January 1, 2012
- Other securities, principally debt securities and options, acquired on or after January 1, 2013, or later, as determined by the Secretary of the Treasury

This Schedule may not reflect all cost basis adjustments necessary for tax reporting purposes, especially for noncovered securities Adjustments to cost basis may have been made for prior income received and subsequently reclassified by the issuer as a return of capital In addition, corporate action events may require adjustments to your original cost basis Return of capital information and cost basis information, as it relates to corporate actions, has been obtained from sources we believe to be reliable

Adjustments to cost basis can be made after year-end, in particular, for return of capital adjustments, but may also include adjustments for corporate action events Therefore there may be differences in cost basis reflected on your monthly client brokerage statement at year end versus any subsequent reports, including your 1099-B or online displays you may have available to you

When you report your cost basis on your tax return, it should be verified using all of your own records In particular, there may be other adjustments which you need to make, but are not required to be made by Pershing as it relates to H R 1424 You should consult with your tax advisor in order to properly report your gain or loss for tax purposes Pershing shall not be responsible for and makes no representations or warranties with respect to the accuracy of any information that you report to the IRS or other taxing authorities, and, accordingly, disclaims any and all liability that may arise with respect to your use and reliance on the information provided herein for such reporting