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Form **990-PF****Return of Private Foundation**

OMB No 1545-0052

2013Department of the Treasury
Internal Revenue Service

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.**Open to Public Inspection**

For calendar year 2013 or tax year beginning

, 2013, and ending

, 20

Name of foundation

GALASHIELS FUND LTD

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

555 SKOKIE BLVD , SUITE 555

City or town, state or province, country, and ZIP or foreign postal code

NORTHBROOK, IL 60062-2845

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, col. (c), line

16) \$ 112,210,618

J Accounting method:

☐ Cash☒ Accrual☐ Other (specify)

(Part I, column (d) must be on cash basis.)

A Employer identification number

94-3059858

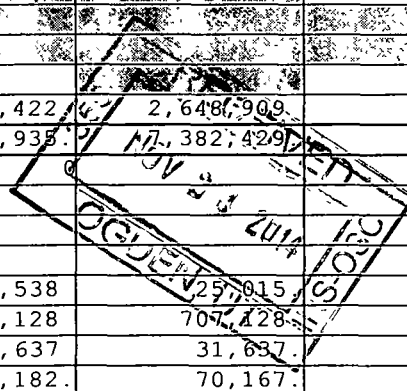
B Telephone number (see instructions)

(847) 480-4690

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 ☐**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)				
2 Check ☐ if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	7,484	7,484		ATCH 1
4 Dividends and interest from securities	86,940	86,940		ATCH 2
5a Gross rents				
b Net rental income or (loss)	4,650,089			
6a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a 4,639,096				
7 Capital gain net income (from Part IV, line 2)		4,639,096		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule) ATCH 3	2,470,422	2,648,909		
12 Total. Add lines 1 through 11	7,214,935	17,382,429		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) ATCH 4	62,538	25,015		31,269
c Other professional fees (attach schedule) *	707,128	707,128		
17 Interest	31,637	31,637		
18 Taxes (attach schedule) (see instructions) ATCH 6	140,182	70,167		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 7	58,583	53,773		10
24 Total operating and administrative expenses. Add lines 13 through 23	1,000,068	887,720		31,279
25 Contributions, gifts, grants paid	6,070,625			6,070,625
26 Total expenses and disbursements Add lines 24 and 25	7,070,693	887,720	0	6,101,904
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	144,242			
b Net investment income (if negative, enter -0-)		6,494,709		
c Adjusted net income (if negative, enter -0-)				

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	35,207,352.	36,251,437	36,251,437
	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 schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U.S. and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) ATCH 8	12,926,863	10,587,521.	12,532,044.
	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) ATCH 9	51,779,893.	52,009,846.	63,402,228.	
14	Land, buildings, and equipment, basis				
	Less: accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶ ATCH 10)	25,120.	24,909	24,909	
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	99,939,228	98,873,713.	112,210,618.	
Liabilities	17	Accounts payable and accrued expenses	1,105,000.		
	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 ▶ ATCH 11)	1,835,354		
23	Total liabilities (add lines 17 through 22)	2,940,354.	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here . ☐ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, . . . ☒ check here and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	42,204,101	42,203,363	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	54,794,773	56,670,350.	
	30	Total net assets or fund balances (see instructions)	96,998,874.	98,873,713.	
	31	Total liabilities and net assets/fund balances (see instructions)	99,939,228.	98,873,713	

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	96,998,874.
2	Enter amount from Part I, line 27a	2	144,242
3	Other increases not included in line 2 (itemize) ▶ ATCH 12	3	1,730,597
4	Add lines 1, 2, and 3	4	98,873,713
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	98,873,713

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE					
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) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
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	4,639,096	
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 (col. (b) divided by col. (c))
2012	5,845,539.	85,446,598	0.068412
2011	5,065,387	82,717,192.	0.061237
2010	4,787,378.	91,164,515	0.052514
2009	4,626,517.	84,608,513	0.054681
2008	5,925,272.	95,691,010	0.061921
2 Total of line 1, column (d)			2 0.298765
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 0.059753
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5			4 92,195,661
5 Multiply line 4 by line 3			5 5,508,967
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 64,947
7 Add lines 5 and 6			7 5,573,914
8 Enter qualifying distributions from Part XII, line 4			8 6,101,904

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		1	64,947
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b			
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	
3 Add lines 1 and 2		3	64,947
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	64,947
6 Credits/Payments			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a	117,788	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	100,000	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	217,788	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	152,841	
11 Enter the amount of line 10 to be Credited to 2014 estimated tax ☒ 152,841 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☒ \$ _____ (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		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ IL		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation.	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If "Yes," complete Part XIV.		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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 ☐ KEITH W COLBURN Telephone no ☐ 847-480-4690			
Located at ☐ 555 SKOKIE BLVD, STE 555 NORTHBROOK, IL ZIP+4 ☐ 60062-2845				
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			
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ☐	16	Yes	No X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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)? ☐	1b	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013? ☐	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ Yes ☒ No		
If "Yes," list the years ☐		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) ☐	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ☐		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No		
b If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.) ☐	3b	X
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

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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)? ☐ Yes ☒ No

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

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

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

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? ☐ Yes ☒ No

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? ☐ Yes ☒ No

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
ATCH 13		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 ☐

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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
ATCH 14		62,538

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 NONE	
2	
All other program-related investments. See instructions.	
3 NONE	
Total. Add lines 1 through 3 ▶	

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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	622,806
b	Average of monthly cash balances	1b	35,095,947
c	Fair market value of all other assets (see instructions)	1c	57,880,903
d	Total (add lines 1a, b, and c)	1d	93,599,656
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	93,599,656
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	1,403,995
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	92,195,661
6	Minimum investment return. Enter 5% of line 5	6	4,609,783

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	4,609,783
2a	Tax on investment income for 2013 from Part VI, line 5	2a	64,947
b	Income tax for 2013. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	64,947
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	4,544,836
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	4,544,836
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	4,544,836

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	6,101,904
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	6,101,904
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	64,947
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	6,036,957

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				4,544,836
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only				
b Total for prior years 20 <u>11</u> , 20 <u>10</u> , 20 <u>09</u>				
3 Excess distributions carryover, if any, to 2013				
a From 2008	616,376			
b From 2009	402,407			
c From 2010	286,030			
d From 2011	957,577			
e From 2012	1,782,071			
f Total of lines 3a through e	4,044,461			
4 Qualifying distributions for 2013 from Part XII, line 4. ► \$ <u>6,101,904</u>				
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				4,544,836
e Remaining amount distributed out of corpus	1,557,068			
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	5,601,529			
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				
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)	616,376			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	4,985,153			
10 Analysis of line 9				
a Excess from 2009	402,407			
b Excess from 2010	286,030			
c Excess from 2011	957,577			
d Excess from 2012	1,782,071			
e Excess from 2013	1,557,068			

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

NOT APPLICABLE

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)

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

Tax year	Prior 3 years				(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
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)(ii)					
(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))

KEITH COLBURN

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 ☒ 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

ATCH 15

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				
ATCH 16				
Total			3a	6,070,625
b Approved for future payment				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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			14	7,484		
4 Dividends and interest from securities			14	86,940		
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	525990	-178,495.	14	2,911,981		
8 Gain or (loss) from sales of assets other than inventory	523000	10,992.	18	4,369,096.		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory . .						
11 Other revenue a ROYALTIES			15	6,937		
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)		-167,503.		7,382,438.		
13 Total. Add line 12, columns (b), (d), and (e)					13	7,214,935

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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?		Yes	No
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.			

[illegible]

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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.

Sign Here  11/06/2014 President

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
JULIE A DEE

Preparer's signature

Date	22
------	----

Check ☐ if self-employed

PTIN	P00444307
------	-----------

Firm's name ▶ GRANT THORNTON LLP

Firm's EIN ▶ 36-6055558

Firm's address ► 175 W. JACKSON BLVD. STE 2000
CHICAGO, IL

60604

Phone no. 312-856-0200

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
129,783		CG DISTRIBUTION FROM NT PROPERTY TYPE OTHER				P	VAR 129,783	VAR
4,109,144		LTCG FROM LIMITED PARTNERSHIPS PROPERTY TYPE OTHER				P	VAR 4,109,144	VAR
457,830.		STCG FROM LIMITED PARTNERSHIPS PROPERTY TYPE. OTHER				P	VAR 457,830	VAR
-57,661		LTCL FROM DISPOSITION OF LP INTEREST PROPERTY TYPE: OTHER				P	VAR -57,661	VAR
TOTAL GAIN (LOSS)			..	..	..		<u>4,639,096.</u>	

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
GOLDMAN SACHS - MM	6,468.	6,468.
UMB	51.	51.
NORTHERN TRUST SECURITIES	965.	965.
TOTAL	7,484.	7,484.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
NORTHERN TRUST	86,940.	86,940.
TOTAL	<u>86,940.</u>	<u>86,940.</u>

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INTEREST INCOME FROM LIMITED PARTNERSHIP	124,355	124,347
DIVIDEND INCOME FROM LIMITED PARTNERSHIP	593,879.	593,879
ROYALTIES FROM LIMITED PARTNERSHIP	6,937.	6,937.
OTHER INCOME FROM LIMITED PARTNERSHIP	1,745,251.	1,745,251.
EXCLUDE LP UNRELATED TRADE OR BUSINESS		178,495
TOTALS	2,470,422.	2,648,909

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
GRANT THORNTON LLP	62,538.	25,015.		31,269.
TOTALS	62,538.	25,015.		31,269.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
PORTFOLIO DEDUCTION FROM LP INVESTMENT MANAGEMENT FEES	689,689. 17,439.	689,689. 17,439.
TOTALS	707,128.	707,128.

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FOREIGN TAXES	70,167.	70,167.
STATE TAXES PAID	70,015.	
TOTALS	<u>140,182.</u>	<u>70,167.</u>

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
OTHER DEDUCTIONS FROM LP	53,773.	53,773.	
NON-DEDUCTIBLE EXP. FROM LP	4,345.		
IL FILING FEES	10.		10.
CHARITABLE CONTRIB FROM LP	455.		
TOTALS	58,583.	53,773.	10.

ATTACHMENT 8

FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
PEM HOLDING COMPANY	622,806.	622,806
MFO TWEEDY BROWNE FD, INC	3,238,008.	4,908,834.
GS DISTRESSED OPPORTUNITY FUND	566,730.	946,135.
GS MEZZANINE PARTNERS 2006	2,397,320.	1,627,087.
GS MEZZANINE PTRS III OFFSHORE	339,085.	5,488.
GS MEZZANINE PTRS V OFFSHORE	209,156.	1,780,904.
GS VINTAGE FUND III OFFSHORE	284,288.	544,294.
GS VINTAGE FUND V OFFSHORE	984,353.	1,882,493.
WHITEHALL ST INT'L REAL ESTATE	1,945,775.	214,003.
TOTALS	<u>10,587,521.</u>	<u>12,532,044.</u>

ATTACHMENT 9

FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
INVESTMENT IN LIMITED PARTNERSHIPS	52,009,846.	63,402,228.
TOTALS	<u>52,009,846.</u>	<u>63,402,228.</u>

ATTACHMENT 10

FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
ART WORK - MURAL	24,800.	24,800.
ACCRUED INTEREST	109.	109.
TOTALS	<u>24,909.</u>	<u>24,909.</u>

FORM 990PF, PART II - OTHER LIABILITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
SUSPENDED FUNDS	
TOTALS	

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCESDESCRIPTIONAMOUNT

PRIOR PERIOD ADJUSTMENT

1,730,597.

TOTAL

1,730,597.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 13

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
KEITH W COLBURN 555 SKOKIE BLVD , SUITE 555 NORTHBROOK, IL 60062-2845	PRES/TREASURER/DIRECTOR 1.00	0	0	0
DAVID T BRADFORD 555 SKOKIE BLVD , SUITE 555 NORTHBROOK, IL 60062-2845	SECRETARY/DIRECTOR 1 00	0	0	0
ANDREA K MAYES 555 SKOKIE BLVD , SUITE 555 NORTHBROOK, IL 60062-2845	ASSISTANT TREASURER 1 00	0	0	0
BETSY P COLBURN 555 SKOKIE BLVD., SUITE 555 NORTHBROOK, IL 60062-2845	VICE PRESIDENT/DIRECTOR 1 00	0	0	0
GRAND TOTALS		0	0	0

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

ATTACHMENT 14

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
GRANT THORNTON LLP 175 W JACKSON BLVD. STE. 2000 CHICAGO, IL 60604	ACCOUNTING	62,538.
TOTAL COMPENSATION		<u>62,538.</u>

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

N/A

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
A BETTER CHICAGO 222 MERCHANDISE MART PLAZA SUITE 1212 CHICAGO, IL 60654	NONE PC		ANNUAL SUPPORT	75,000
ALLIANCE FOR SCHOOL CHOICE 1660 L STREET, NW SUITE 1000 WASHINGTON, DC 20036	NONE PC		ANNUAL SUPPORT	75,000
ART INSTITUTE OF CHICAGO 111 S MICHIGAN AVE CHICAGO, IL 60603	NONE PC		ANNUAL FUND	30,000
CATO INSTITUTE 1000 MASSACHUSETTS AVE NW WASHINGTON, DC 20000	NONE PC		ANNUAL SUPPORT	150,000
CHALLENGED ATHLETES FOUNDATION 2148 JIMMY DURANTE BLVD STE B DEL MAR, CA 92014	NONE PC		ANNUAL SUPPORT	250,000
CHICAGO SHAKESPEARE THEATRE 800 EAST GRAND AVENUE CHICAGO, IL 60611	NONE PC		ANNUAL SUPPORT	50,000

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CRISTO REY JESUIT HIGH SCHOOL 1852 W 22ND ST CHICAGO, IL 60608	NONE PC	FR JAMES GARTLAND SCHOLARSHIP FUND	100,000
CROHN'S & COLITIS FOUNDATION OF AMERICA, INC 386 PARK AVENUE SOUTH 17TH FLOOR NEW YORK, NY 10016	NONE PC	ANNUAL SUPPORT	75,000
FIDELITY CHARITABLE GIFT FUND 200 SEAPORT BOULEVARD 2E7 BOSTON, MA 2210	NONE PC	GENERAL SUPPORT	800,000
FREE AFRICA FOUNDATION 910 17TH ST NW STE 419 WASHINGTON, DC 20006	NONE PC	ANNUAL SUPPORT	15,000
FRIENDS OF PANMURE HOUSE 3554 W ORANGE COUNTRY CLUB DR 250 WINTER GARDEN, FL 34787	NONE PC	CAPITAL SUPPORT	25,000
GREATER EDUCATIONAL OPPORTUNITIES FOUNDATION 2540 N CAPITAL AVENUE STE 101 INDIANAPOLIS, IN 46208	NONE PC	ANNUAL SUPPORT	300,000

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
HOLIDAY EXPRESS 968 SHREWSBURY AVE TINTON FALLS, NJ 7724	NONE PC		ANNUAL SUPPORT	100,000
HOLY FAMILY SCHOOL 790 FRONTAGE ROAD NORTHFIELD, IL 60093	NONE PC		ANNUAL SUPPORT	300,000
HOPE COLLEGE 141 E 12TH ST HOLLAND, MI 49423	NONE PC		ANNUAL SUPPORT	1,025,000
HOUSE RESEARCH INSTITUTE 2100 W THIRD ST LOS ANGELES, CA 90057	NONE PC		ANNUAL SUPPORT	35,000
ILLINOIS POLICY INSTITUTE 190 S LASALLE ST SUITE 1630 CHICAGO, IL 60603	NONE PC		ANNUAL SUPPORT	250,000
INSTITUTE FOR JUSTICE 901 N GLEBE ROAD SUITE 900 ARLINGTON, VA 22203	NONE PC		ANNUAL SUPPORT	500,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 16 (CONT'D.)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
JUDD GOLDMAN ADAPTIVE SAILING FOUNDATION 875 N MICHIGAN AVE STE 3718 CHICAGO, IL 60611	NONE PC	ANNUAL SUPPORT	20,000
LEARN CHARTER SCHOOL NETWORK (LAWDALE EDUCATIONAL 1132 SOUTH HOMAN AVENUE CHICAGO, IL 60624	NONE PC	ANNUAL SUPPORT	100,000
LYRIC OPERA OF CHICAGO 20 NORTH WACKER DRIVE SUITE 860 CHICAGO, IL 60606	NONE PC	ANNUAL SUPPORT	35,000
MERIT SCHOOL OF MUSIC JOY FAITH KNAPP MUSIC CENTER 38 S PEORIA ST CHICAGO, IL 60607	NONE PC	ANNUAL SUPPORT	30,000
MOREHOUSE COLLEGE 830 WESTVIEW DR SW ATLANTA, GA 30314	NONE PC	ANNUAL SUPPORT	100,000
NORTHLIGHT THEATRE 9501 SKOKIE BLVD SKOKIE, IL 60077	NONE PC	ANNUAL SUPPORT	40,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
PHILLIPS EXETER ACADEMY 20 MAIN ST EXETER, NH 3833	NONE PC	ENDOWMENT - SCHOLARSHIP FUND	545,000
RAILS TO TRAILS CONSERVANCY 2121 WARD COURT NW 5TH FLOOR WASHINGTON, DC 20037	NONE PC	ANNUAL SUPPORT	210,625
REHABILITATION INSTITUTE OF CHICAGO 345 E SUPERIOR STREET CHICAGO, IL 60611	NONE PC	ANNUAL SUPPORT	50,000
SPELMAN COLLEGE 350 SPELMAN LANE SW BOX 927 ATLANTA, GA 30314	NONE PC	ANNUAL SUPPORT	100,000
STERPENWOLF THEATRE CO 758 WEST NORTH AVE 4TH FLOOR CHICAGO, IL 60610	NONE PC	ANNUAL SUPPORT	35,000
WELLESLEY COLLEGE 17 N STATE STREET SUITE 300 CHICAGO, IL 60602	NONE PC	ENDOWMENT	50,000

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
WORLD BICYCLE RELIEF 1333 N KINGSBURY 4TH FLOOR CHICAGO, IL 60642	NONE PC	GENERAL SUPPORT	350,000
WRITER'S THEATRE 378 PARK AVE STE 1A GLENCOE, IL 60022	NONE PC	ANNUAL SUPPORT	100,000
YEAR UP 93 SUMMER STREET 5TH FLOOR BOSTON, MA 02100	NONE PC	GENERAL SUPPORT	150,000
TOTAL CONTRIBUTIONS PAID			6,070,625

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T.

▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9 and 10.

▶ Information about Schedule D and its separate instructions is at www.irs.gov/form1041

OMB No 1545-0092

2013

Name of estate or trust

GALASHIELS FUND LTD

Employer identification number

94-3059858

Note: Form 5227 filers need to complete only Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below.

This form may be easier to complete if you round off cents to whole dollars

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with Box A checked				
2 Totals for all transactions reported on Form(s) 8949 with Box B checked				
3 Totals for all transactions reported on Form(s) 8949 with Box C checked	457,830.			457,830.
4 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2012 Capital Loss Carryover Worksheet				6 ()
7 Net short-term capital gain or (loss). Combine lines 1a through 6 in column (h). Enter here and on line 17, column (3) on the back ▶				7 457,830

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below

This form may be easier to complete if you round off cents to whole dollars

	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with Box D checked	4,051,483			4,051,483.
9 Totals for all transactions reported on Form(s) 8949 with Box E checked				
10 Totals for all transactions reported on Form(s) 8949 with Box F checked	129,783			129,783
11 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts.				12
13 Capital gain distributions.				13
14 Gain from Form 4797, Part I.				14
15 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2012 Capital Loss Carryover Worksheet				15 ()
16 Net long-term capital gain or (loss). Combine lines 8a through 15 in column (h). Enter here and on line 18a, column (3) on the back ▶				16 4,181,266

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2013

Part III Summary of Parts I and II**Caution:** Read the instructions before completing this part.

	(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
17 Net short-term gain or (loss)	17		457,830
18 Net long-term gain or (loss):			
a Total for year	18a		4,181,266
b Unrecaptured section 1250 gain (see line 18 of the wrksh)	18b		
c 28% rate gain	18c		
19 Total net gain or (loss). Combine lines 17 and 18a. ▶	19		4,639,096

Note: If line 19, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 18a and 19, column (2), are net gains, go to Part V, and do not complete Part IV. If line 19, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

20 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:

 a The loss on line 19, column (3) or b \$3,000 **20** ()

Note: If the loss on line 19, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 18a and 19 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if

- Either line 18b, col. (2) or line 18c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 18a and 19 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 18b, col. (2) or line 18c, col. (2) is more than zero.

21 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34).	21		
22 Enter the smaller of line 18a or 19 in column (2) but not less than zero.	22		
23 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T).	23		
24 Add lines 22 and 23	24		
25 If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- ▶	25		
26 Subtract line 25 from line 24. If zero or less, enter -0-	26		
27 Subtract line 26 from line 21. If zero or less, enter -0-	27		
28 Enter the smaller of the amount on line 21 or \$2,450	28		
29 Enter the smaller of the amount on line 27 or line 28	29		
30 Subtract line 29 from line 28. If zero or less, enter -0-. This amount is taxed at 0% ▶	30		
31 Enter the smaller of line 21 or line 26	31		
32 Subtract line 30 from line 26.	32		
33 Enter the smaller of line 21 or \$11,950.	33		
34 Add lines 27 and 30	34		
35 Subtract line 34 from line 33. If zero or less, enter -0-	35		
36 Enter the smaller of line 32 or line 35.	36		
37 Multiply line 36 by 15%. ▶	37		
38 Enter the amount from line 31	38		
39 Add lines 30 and 36	39		
40 Subtract line 39 from line 38. If zero or less, enter -0-	40		
41 Multiply line 40 by 20% ▶	41		
42 Figure the tax on the amount on line 27. Use the 2013 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).	42		
43 Add lines 37, 41, and 42	43		
44 Figure the tax on the amount on line 21. Use the 2013 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).	44		
45 Tax on all taxable income. Enter the smaller of line 43 or line 44 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36). ▶	45		

Schedule D (Form 1041) 2013

Form **8949**Department of the Treasury
Internal Revenue Service**Sales and Other Dispositions of Capital Assets**► Information about Form 8949 and its separate instructions is at www.irs.gov/form8949.

► File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.

OMB No 1545-0074

2013Attachment
Sequence No **12A**

Name(s) shown on return

GALASHIELS FUND LTD

Social security number or taxpayer identification number

94-3059858

Most brokers issue their own substitute statement instead of using Form 1099-B. They also may provide basis information (usually your cost) to you on the statement even if it is not reported to the IRS. Before you check Box A, B, or C below, determine whether you received any statement(s) and, if so, the transactions for which basis was reported to the IRS. Brokers are required to report basis to the IRS for most stock you bought in 2011 or later.

Part I **Short-Term.** Transactions involving capital assets you held one year or less are short-term. For long-term transactions, see page 2.

Note. You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 1a; you are not required to report these transactions on Form 8949 (see instructions).

You must check Box A, B, or C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- ☐ (A) Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see Note above)
- ☐ (B) Short-term transactions reported on Form(s) 1099-B showing basis was **not** reported to the IRS
- ☒ (C) Short-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example 100 sh XYZ Co)	(b) Date acquired (Mo, day, yr)	(c) Date sold or disposed (Mo, day, yr)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see Column (e) in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	STCG FROM LIMITED PARTNERSHIPS			457,830.				457,830.
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 1b (if Box A above is checked), line 2 (if Box B above is checked), or line 3 (if Box C above is checked)►				457,830				457,830

Note. If you checked Box A above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See Column (g) in the separate instructions for how to figure the amount of the adjustment.

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8949** (2013)

Name(s) shown on return (Name and SSN or taxpayer identification no. not required if shown on other side)

GALASHIELS FUND LTD

Social security number or taxpayer identification number

94-3059858

Most brokers issue their own substitute statement instead of using Form 1099-B. They also may provide basis information (usually your cost) to you on the statement even if it is not reported to the IRS. Before you check Box D, E, or F below, determine whether you received any statement(s) and, if so, the transactions for which basis was reported to the IRS. Brokers are required to report basis to the IRS for most stock you bought in 2011 or later.

Part II Long-Term. Transactions involving capital assets you held more than one year are long term. For short-term transactions, see page 1.

Note. You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 8a; you are not required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

☒ (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see Note above)

☐ (E) Long-term transactions reported on Form(s) 1099-B showing basis was not reported to the IRS

☐ (F) Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example 100 sh XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see Column (e) in the separate instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	LTCG FROM LIMITED PARTNERSHIPS			4,109,144				4,109,144.
	LTCL FROM DISPOSITION OF LP INTEREST			-57,661				-57,661.
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ▶				4,051,483				4,051,483

Note. If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See Column (g) in the separate instructions for how to figure the amount of the adjustment.

Name(s) shown on return (Name and SSN or taxpayer identification no. not required if shown on other side)

GALASHIELS FUND LTD

Social security number or taxpayer identification number

94-3059858

Most brokers issue their own substitute statement instead of using Form 1099-B. They also may provide basis information (usually your cost) to you on the statement even if it is not reported to the IRS. Before you check Box D, E, or F below, determine whether you received any statement(s) and, if so, the transactions for which basis was reported to the IRS. Brokers are required to report basis to the IRS for most stock you bought in 2011 or later.

Part II Long-Term. Transactions involving capital assets you held more than one year are long term. For short-term transactions, see page 1.

Note. You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the total directly on Schedule D, line 8a; you are not required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

☐ (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see Note above)

☐ (E) Long-term transactions reported on Form(s) 1099-B showing basis was **not** reported to the IRS

☒ (F) Long-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example 100 sh XYZ Co.)	(b) Date acquired (Mo, day, yr)	(c) Date sold or disposed (Mo, day, yr)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis. See the Note below and see Column (e) in the separate instructions	Adjustment, if any, to gain or loss If you enter an amount in column (g), enter a code in column (f). See the separate instructions.		(h) Gain or (loss). Subtract column (e) from column (d) and combine the result with column (g)
						(f) Code(s) from instructions	(g) Amount of adjustment	
	CG DISTRIBUTION FROM NT			129,783				129,783
2 Totals. Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, line 8b (if Box D above is checked), line 9 (if Box E above is checked), or line 10 (if Box F above is checked) ▶				129,783				129,783.

Note. If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See Column (g) in the separate instructions for how to figure the amount of the adjustment.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box. ☒ X

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed)

Type or print File by the due date for filing your return. See instructions	Enter filer's identifying number, see instructions	
	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	GALASHIELS FUND LTD	94-3059858
	Number, street, and room or suite no. If a P.O. box, see instructions	Social security number (SSN)
	555 SKOKIE BLVD, SUITE 555	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	NORTHBROOK, IL 60062-2845	

Enter the Return code for the return that this application is for (file a separate application for each return) ☐ 0 ☐ 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of ► KEITH W COLBURN
Telephone No ► 847 480-4690 Fax No ► 847 480-4616

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/17, 20 14

5 For calendar year 2013, or other tax year beginning , 20 , and ending , 20

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

7 State in detail why you need the extension ADDITIONAL TIME IS REQUESTED TO GATHER THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$	172,788.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$	172,788
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFIPS (Electronic Federal Tax Payment System). See instructions.	8c \$	0

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ► [Signature] Title ► CPA Date ► 8/5/14

Form 8868 (Rev. 1-2014)