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

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning August 1 , 2013, and ending July 31 , 2014

Name of foundation The Highstead Fund, Inc.		A Employer identification number 20-5823379
Number and street (or P O box number if mail is not delivered to street address) c/o Dudley & Shanley, LLC 205 Worth Avenue, #311		B Telephone number (see instructions) 561-855-4742
City or town, state or province, country, and ZIP or foreign postal code Palm Beach, FL 33480		C If exemption application is pending, check here ► <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 21,247,237.63	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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)	2,817,625.00			
	2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	937,471.39	937,471.39		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	2,747,634.18			
	b Gross sales price for all assets on line 6a 4,465,929.58				
	7 Capital gain net income (from Part IV, line 2)		2,747,634.08		
	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)					
12 Total. Add lines 1 through 11	6,502,730.57	3,685,105.47			
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)	500.00			
	b Accounting fees (attach schedule)	7,233.50	7,233.50		
	c Other professional fees (attach schedule)	93,668.00	93,668.00		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	79,695.26	9,695.26		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	19,762.73	19,762.73		
	24 Total operating and administrative expenses.				
Add lines 13 through 23	200,859.49	130,359.49			
25 Contributions, gifts, grants paid	825,000.00			825,000.00	
26 Total expenses and disbursements. Add lines 24 and 25	1,025,859.49	130,359.49		825,000.00	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	5,476,871.08				
b Net investment income (if negative, enter -0-)		3,554,745.98			
c Adjusted net income (if negative, enter -0-)					

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	654,072.67	700,055.47	700,055.47
	2 Savings and temporary cash investments			
	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			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	16,216,598.20	20,547,182.16	20,547,182.16
	c Investments—corporate bonds (attach schedule)			
Liabilities	11 Investments—land, buildings, and equipment: basis ►			
	Less: accumulated depreciation (attach schedule) ►			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment: basis ►			
	Less: accumulated depreciation (attach schedule) ►			
	15 Other assets (describe ►)			
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	16,870,670.87	21,247,237.63	21,247,237.63
Net Assets or Fund Balances	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	0
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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 ► <input type="checkbox"/> 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	16,870,670.87	21,247,237.63	21,247,237.63
	30 Total net assets or fund balances (see instructions)	16,870,670.87	21,247,237.63	21,247,237.63
	31 Total liabilities and net assets/fund balances (see instructions)	16,870,670.87	21,247,237.63	21,247,237.63

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	16,870,670.87
2 Enter amount from Part I, line 27a	2	5,476,871.08
3 Other increases not included in line 2 (itemize) ► Unrealized appreciation of investments	3	1,187,380.72
4 Add lines 1, 2, and 3	4	23,534,922.67
5 Decreases not included in line 2 (itemize) ► Unrealized appreciation on contributed investments sold	5	2,287,685.04
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	21,247,237.63

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 Sales of publicly traded securities - schedule attached					
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 4,465,929.58		1,718,295.40	2,747,634.18		
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) FMV 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			2,747,634.18		
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	2,747,634.18	
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	(37,762.57)	

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	587,500	14,207,437	.041352
2011	475,307	10,759,369	.044176
2010	212,283	7,221,573	.029396
2009	194,741	4,085,147	.047670
2008	193,272	3,911,237	.049415

- | | | |
|--|----------|------------|
| 2 Total of line 1, column (d) | 2 | .212009 |
| 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 | .042402 |
| 4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5 | 4 | 19,109,317 |
| 5 Multiply line 4 by line 3 | 5 | 810,273 |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 35,547 |
| 7 Add lines 5 and 6 | 7 | 845,820 |
| 8 Enter qualifying distributions from Part XII, line 4
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. | 8 | 825,000 |

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 ► <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)	1	71,094	92
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> 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	0	
3	Add lines 1 and 2	3	71,094	92
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	71,094	92
6	Credits/Payments:			
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	5,831	91
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c	75,000	00
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7	80,831	91
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	9,736	99
11	Enter the amount of line 10 to be: Credited to 2014 estimated tax ►	9,736	99	Refunded ► 11

Part VII-A Statements Regarding Activities

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?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	✓	
1c	<i>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.</i>	✓	
c	Did the foundation file Form 1120-POL for this year?		
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ <u>None</u> (2) On foundation managers. ► \$ <u>None</u>	None	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>None</u>		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	✓	
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? <i>If "Yes," attach a conformed copy of the changes.</i>	✓	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?		
b	If "Yes," has it filed a tax return on Form 990-T for this year?	✓	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	✓	
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?	✓	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► Connecticut		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	✓	
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)? <i>If "Yes," complete Part XIV</i>	✓	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	✓	

Part VII-A Statements Regarding Activities (continued)

11		✓
12		✓
13	✓	
Website address ► None		
14	The books are in care of ► Dudley & Shanley, LLC Located at ► 205 Worth Avenue, #311	Telephone no. ► 561-855-4742 ZIP+4 ► 33480
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here. ► 15 and enter the amount of tax-exempt interest received or accrued during the year	
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 Yes ✓ No See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	

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.		
1a	During the year did the foundation (either directly or indirectly):	
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► □	
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 ✓	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.) 3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a ✓	
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 ✓	

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))?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)?				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?			<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d).</i>						
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				6b	✓
<i>If "Yes" to 6b, file Form 8870.</i>						
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?				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
Schedule attached		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 ► None

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
Schafer Cullen Capital Management, Inc. 645 Fifth Avenue, Suite 1201, New York, NY 10022	Investment management	93,668
Total number of others receiving over \$50,000 for professional services	►	None

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 Not applicable, no direct charitable activities	
2	None
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 Note applicable, no program-related investments	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	► None

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	19,400,322
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	19,400,322
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	19,400,322
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	291,005
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	19,109,317
6	Minimum investment return. Enter 5% of line 5	6	955,466

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	955,466
2a	Tax on investment income for 2013 from Part VI, line 5	2a	71,095
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	71,095
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	884,371
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	884,371
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	884,371

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	825,000
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	825,000
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	825,000

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				884,371
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only				152,749
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				
e From 2012				
f Total of lines 3a through e				
4 Qualifying distributions for 2013 from Part XII, line 4: ► \$ 825,000				
a Applied to 2012, but not more than line 2a				152,749
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				672,251
e Remaining amount distributed out of corpus				
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				
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				212,120
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				
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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 <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)																																											
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Tax year</th> <th colspan="3" style="text-align: center;">Prior 3 years</th> <th rowspan="2" style="text-align: center;">(e) Total</th> </tr> <tr> <th style="text-align: center;">(a) 2013</th> <th style="text-align: center;">(b) 2012</th> <th style="text-align: center;">(c) 2011</th> <th style="text-align: center;">(d) 2010</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Tax year	Prior 3 years			(e) Total	(a) 2013	(b) 2012	(c) 2011	(d) 2010																														
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 $\frac{2}{3}$ 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).)

Elisabeth C. Dudley, Henry C. Dudley

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

None**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

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

- a** The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:
- b** The form in which applications should be submitted and information and materials they should include:
- c** Any submission deadlines:
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year				
Highstead Foundation, Inc. PO Box 1097, Redding, CT 06875		501(c)3	Scientific research and education	825,000
Total			► 3a	825,000
b Approved for future payment				
None				
Total			► 3b	None

Part XVI-A | Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	(a) Business code	(b) Amount	(c) Exclusion code	(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					
4 Dividends and interest from securities					
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					
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)					
13 Total. Add line 12, columns (b), (d), and (e)					
(See worksheet in line 13 instructions to verify calculations.)					

(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.)
	Not applicable

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

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)	✓
(2)	Other assets	1a(2)	✓
b	Other transactions:		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	✓
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	✓
(3)	Rental of facilities, equipment, or other assets	1b(3)	✓
(4)	Reimbursement arrangements	1b(4)	✓
(5)	Loans or loan guarantees	1b(5)	✓
(6)	Performance of services or membership or fundraising solicitations	1b(6)	✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		
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.		

- 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

(a) Name of organization	(b) Type of organization	(c) Description of relationship
Highstead Foundation, Inc.	501(c)3 Private Operating Fdn	Over 25% common directors, contributions
The Quercus Fund, Inc.	501(c)3 Private Non-operating Fdn	Over 25% common directors

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**


Signature of officer or trustee

3/10/15 →

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

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed	PTIN
	John J. McGlinchey, Jr.	<i>John J. McGlinchey</i>	3/9/15		PO1464978
	Firm's name ► John J. McGlinchey, Jr., CPA		Firm's EIN ►	13-0384978	
Firm's address ► PO Box 245, Glen Head, NY 11545-0245		Phone no	516-759-0773		

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

OMB No. 1545-0047

2013

► Attach to Form 990, Form 990-EZ, or Form 990-PF.

► Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.**Name of the organization****The Highstead Fund, Inc.****Organization type (check one):****Employer identification number**

20-5823379

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

The Highstead Fund, Inc.

Employer identification number

20-5823379

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	Elisabeth C. Dudley c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	\$ 2,097,425	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
2	Henry C. Dudley c/o Dudley & Shanley, LLC, 205 Worth Avenue, #311 Palm Beach, FL 33480	\$ 720,200	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Name of organization

The Highstead Fund, Inc.

Employer identification number

20-5823379

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	5,200 Shs Enersys Contributed on December 26, 2013 Original cost \$114,586 FMV at mean selling price on stock exchange	\$ 367,250	December 26, 2013
1	6,000 Shs Fiserv Inc. Contributed on December 26, 2013 Original cost \$113,695 FMV at mean selling price on stock exchange	\$ 351,840	December 26, 2013
1	4,000 Shs Intuit Inc. Contributed on December 26, 2013 Original cost \$138,552 FMV at mean selling price on stock exchange	\$ 305,380	December 26, 2013
1	13,000 Shs SM Energy Company Contributed on December 26, 2013 Original cost \$26 FMV at mean selling price on stock exchange	\$ 1,072,955	December 26, 2013
2	2,000 Shs Adobe Systems Inc. Contributed on December 26, 2013 Original cost \$42,567 FMV at mean selling price on stock exchange	\$ 119,470	December 26, 2013
2	5,000 Shs Enersys Contributed on December 26, 2013 Original cost \$120,508 FMV at mean selling price on stock exchange	\$ 353,125	December 26, 2013

Name of organization

The Highstead Fund, Inc.

Employer identification number

20-5823379

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	3,000 Shs SM Energy Company Contributed on December 26, 2013 Original cost \$6 FMV at mean selling price on stock exchange	\$ 247,605	December 26, 2013
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	

The Highstead Fund, Inc.
Form 990-PF

20-5823379
Fiscal Year Ended July 31, 2014

Part I, Line 16c

Other professional fees
Investment management fees

93,668.00

Part I, Line 18

Taxes

Foreign income tax on dividends	9,695.26
Payments on Excise Tax on Inv Inc.	<u>70,000.00</u>
	<u>79,695.26</u>

Part I, Line 23

Other expenses
Bank custody fee
Miscellaneous

18,813.23
949.50
19,762.73

PORTFOLIO REALIZED GAINS AND LOSSES
Highstead Fund Inc.
70 - 52Y3379
From 08-01-13 Through 07-31-14

Open Date	Close Date	Quantity	Security	Cost Basis			Proceeds	Gain Or Loss	
				Short Term	Long Term			Short Term	Long Term
02-15-2013	12-03-2013	1,800	Diamond Offshore Drill	134,497.80		107,188.49		-27,309.31	
02-14-2013	12-03-2013	200	Diamond Offshore Drill	14,838.70		11,909.83		-2,928.87	
02-07-2013	12-03-2013	85	Diamond Offshore Drill	6,291.95		5,061.68		-1,230.27	
02-06-2013	12-03-2013	435	Diamond Offshore Drill	32,122.05		25,903.89		-6,218.16	
12-22-2008	12-27-2013	1,500	Adobe Systems, Inc.	32,410.35		88,906.90		56,496.55	
01-29-2009	12-27-2013	500	Adobe Systems, Inc.	10,157.10		29,635.63		19,478.53	
12-16-2011	12-27-2013	5,000	Enersys	120,508.00		350,077.90		229,569.90	
08-17-2011	12-27-2013	5,200	Enersys	114,586.16		364,081.02		249,494.86	
01-05-2009	12-27-2013	6,000	Fiserv Inc.	113,695.20		351,476.88		237,781.68	
07-06-2010	12-27-2013	4,000	Intuit, Inc.	138,551.60		304,192.70		165,641.10	
05-05-1955	12-27-2013	3,000	SM Energy Company	5.92		249,061.06		249,055.14	
05-05-1955	12-27-2013	13,000	SM Energy Company	25.63		1,079,264.61		1,079,238.98	
05-13-2011	02-06-2014	466	Kraft Foods Group	17,114.59		24,026.06		6,911.47	
12-15-2010	02-06-2014	67	Kraft Foods Group	2,200.45		3,437.35		1,236.90	
12-13-2010	02-06-2014	200	Kraft Foods Group	6,460.42		10,311.54		3,851.12	
02-03-2011	02-06-2014	650	Kraft Foods Group	20,949.51		33,512.51		12,563.00	
07-26-2010	02-06-2014	2,183	Kraft Foods Group	68,152.13		112,567.30		44,415.17	
07-26-2010	02-06-2014	0	Kraft Foods Group	0.09		0.00		-0.09	
02-03-2011	02-26-2014	289	Verizon Comm.	13,514.70		13,403.29		-111.41	
06-26-2013	02-26-2014	197	Verizon Comm.	9,214.57		9,138.61		-75.96	
05-13-2011	02-26-2014	894	Verizon Comm.	41,772.41		41,428.34		-344.07	
12-13-2010	02-26-2014	197	Verizon Comm.	9,214.57		9,138.61		-75.96	
12-15-2010	02-26-2014	105	Verizon Comm.	4,914.44		4,873.92		-40.52	
12-21-2012	02-26-2014	1,065	Verizon Comm.	49,758.67		49,348.47		-410.20	
07-26-2010	02-26-2014	1,801	Verizon Comm.	84,116.88		83,423.43		-693.45	
07-26-2010	03-07-2014	1	Verizon Comm.	42.85		43.53		0.68	
05-13-2011	03-10-2014	700	Boeing Corp.	55,923.00		90,389.57		34,466.57	
12-21-2012	03-10-2014	300	Boeing Corp.	22,740.00		38,738.39		15,998.39	
02-03-2011	03-10-2014	400	Boeing Corp.	28,400.00		51,651.18		23,251.18	
06-22-2010	03-10-2014	1,000	Boeing Corp.	67,775.90		129,127.95		61,352.05	

Part IV

REALIZED GAINS AND LOSSES

Highstead Fund Inc.

~~20-58253379~~

From 08-01-13 Through 07-31-14

Open Date	Close Date	Quantity	Security	Gain Or Loss		
				Cost Basis	Proceeds	Short Term Long Term
12-15-2010	03-10-2014	150	Boeing Corp.	9,665.99	19,369.19	9,703.20
12-13-2010	03-10-2014	890	Boeing Corp.	56,840.92	114,923.87	58,082.95
02-03-2011	03-10-2014	0	Vodaphone Group PLC	19.13	14.55	-4.58
05-13-2011	05-23-2014	1,250	Astrazeneca PLC	65,037.50	90,353.75	25,316.25
12-15-2010	05-23-2014	100	Astrazeneca PLC	4,941.00	7,228.30	2,287.30
07-26-2010	05-23-2014	2,215	Astrazeneca PLC	107,003.99	160,106.85	53,102.86
12-21-2012	06-23-2014	1,300	Dominion Resources	67,821.00	91,025.42	23,204.42
07-22-2010	06-23-2014	3,300	Dominion Resources	139,066.62	231,064.52	91,997.90
12-15-2010	06-23-2014	150	Dominion Resources	6,300.00	10,502.93	4,202.93
12-13-2010	06-23-2014	1,000	Dominion Resources	41,643.60	70,019.56	28,375.96
TOTAL GAINS				0.00	2,787,077.04	
TOTAL LOSSES				-37,762.57	-1,680.28	
TOTAL REALIZED GAIN/LOSS				1,718,295.40	4,465,929.58	2,785,396.76
NO CAPITAL GAINS DISTRIBUTIONS						

Port  

REALIZED GAINS AND LOSSES

Highstead Fund Inc.

70 - 5213379
From 08-01-13 Through 07-31-14

Open Date	Close Date	Quantity	Security	Cost Basis	Gain Or Loss		
					Proceeds	Short Term	Long Term
02-15-2013	12-03-2013	1,800	Diamond Offshore Drill	134,497.80	107,188.49	-27,309.31	
02-14-2013	12-03-2013	200	Diamond Offshore Drill	14,838.70	11,909.83	-2,928.87	
02-07-2013	12-03-2013	85	Diamond Offshore Drill	6,291.95	5,061.68	-1,230.27	
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12-16-2011	12-27-2013	5,000	Enersys	120,508.00	350,077.90	229,569.90	
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07-06-2010	12-27-2013	4,000	Intuit, Inc.	138,551.60	304,192.70	165,641.10	
05-05-1955	12-27-2013	3,000	SM Energy Company	5.92	249,061.06	249,055.14	
05-05-1955	12-27-2013	13,000	SM Energy Company	25.63	1,079,264.61	1,079,238.98	
05-13-2011	02-06-2014	466	Kraft Foods Group	17,114.59	24,026.06	6,911.47	
12-15-2010	02-06-2014	67	Kraft Foods Group	2,200.45	3,437.35	1,236.90	
12-13-2010	02-06-2014	200	Kraft Foods Group	6,460.42	10,311.54	3,851.12	
02-03-2011	02-06-2014	650	Kraft Foods Group	20,949.51	33,512.51	12,563.00	
07-26-2010	02-06-2014	2,183	Kraft Foods Group	68,152.13	112,567.30	44,415.17	
07-26-2010	02-06-2014	0	Kraft Foods Group	0.09	0.00	-0.09	
02-03-2011	02-26-2014	289	Verizon Comm.	13,514.70	13,403.29	-111.41	
06-26-2013	02-26-2014	197	Verizon Comm.	9,214.57	9,138.61	-75.96	
05-13-2011	02-26-2014	894	Verizon Comm.	41,772.41	41,428.34	-344.07	
12-13-2010	02-26-2014	197	Verizon Comm.	9,214.57	9,138.61	-75.96	
12-15-2010	02-26-2014	105	Verizon Comm.	4,914.44	4,873.92	-40.52	
12-21-2012	02-26-2014	1,065	Verizon Comm.	49,758.67	49,348.47	-410.20	
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12-21-2012	03-10-2014	300	Boeing Corp.	22,740.00	38,738.39	15,998.39	
02-03-2011	03-10-2014	400	Boeing Corp.	28,400.00	51,651.18	23,251.18	
06-22-2010	03-10-2014	1,000	Boeing Corp.	67,775.90	129,127.95	61,352.05	

Part IV

REALIZED GAINS AND LOSSES

Highstead Fund Inc.

~~20-582-3379~~

From 08-01-13 Through 07-31-14

Open Date	Close Date	Quantity	Security	Gain Or Loss		
				Cost Basis	Proceeds	Short Term Long Term
12-15-2010	03-10-2014	150	Boeing Corp.	9,665.99	19,369.19	9,703.20
12-13-2010	03-10-2014	890	Boeing Corp.	56,840.92	114,923.87	58,082.95
02-03-2011	03-10-2014	0	Vodafone Group PLC	19.13	14.55	-4.58
05-13-2011	05-23-2014	1,250	Astrazeneca PLC	65,037.50	90,353.75	25,316.25
12-15-2010	05-23-2014	100	Astrazeneca PLC	4,941.00	7,228.30	2,287.30
07-26-2010	05-23-2014	2,215	Astrazeneca PLC	107,003.99	160,106.85	53,102.86
12-21-2012	06-23-2014	1,300	Dominion Resources	67,821.00	91,025.42	23,204.42
07-22-2010	06-23-2014	3,300	Dominion Resources	139,066.62	231,064.52	91,997.90
12-15-2010	06-23-2014	150	Dominion Resources	6,300.00	10,502.93	4,202.93
12-13-2010	06-23-2014	1,000	Dominion Resources	41,643.60	70,019.56	28,375.96
TOTAL GAINS				0.00		
TOTAL LOSSES				-37,762.57		
TOTAL REALIZED GAIN/LOSS				2,747,634.18		
NO CAPITAL GAINS DISTRIBUTIONS						
				-37,762.57		
				2,785,396.76		

The Highstead Fund, Inc.
20-5823379
FORM 990PF, FYE 7/31/2014
PAGE 8, PART X, LINE 1
FMV OF SECURITIES

Date	FMV of Investments Bank of NY
1-Aug	16,870,670.70
31-Aug	16,340,043.94
30-Sep	16,843,782.42
31-Oct	17,315,060.17
30-Nov	17,547,617.03
31-Dec	20,621,372.08
31-Jan	19,807,234.92
28-Feb	20,314,179.67
31-Mar	20,789,118.17
30-Apr	21,320,815.51
31-May	21,433,354.78
30-Jun	21,753,702.36
31-Jul	21,247,237.64
	<u>252,204,189.39</u>

Averages

	Sum of Individual <u>Balances</u>	Divided by 13
Investments:	<u>252,204,189.39</u>	<u>19,400,322.26</u>

**The Highstead Fund, Inc.
Form 990-PF**

**20-5823379
Fiscal Year Ended July 31, 2014**

Part VIII, Line 1

**List of all officers, directors, trustees, foundation managers and their compensation
(Note: All officers, directors, trustees, foundation managers are part time.)**

Name and Address	Title and Avg. Hours Per Week	Compensation	Contributions to Employee Plans	Expense Account & Other Allowances
Elisabeth C. Dudley c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	Director	None	None	None
Henry C. Dudley c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	President, CEO Director	None	None	None
Sarah Dudley Plimpton c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	Director	None	None	None
Jane C. Dudley c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	Director	None	None	None
Anthony J. Carroll c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	Secretary	None	None	None
Christiane McNamara c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	Asst. Treasurer Asst. Secretary	None	None	None
Frank E. Shanley c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	Vice-President Treasurer Director	None	None	None
David R. Foster c/o Dudley & Shanley, LLC 205 Worth Avenue, #311 Palm Beach, FL 33480	Director	None	None	None

Application for Extension of Time To File an
Exempt Organization Return

- File a separate application for each return.
► Information about Form 8868 and its instructions is at www.irs.gov/form8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ►
• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only ►

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions. The Highstead Fund, Inc.	Employer identification number (EIN) or 20-5823379
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P O. box, see instructions. c/o Dudley & Shanley, LLC, 130 Maple Ave., Ste. 6	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Red Bank, NJ 07701	

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-T (corporation)	07
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

- The books are in the care of ► **Dudley & Shanley, LLC, 130 Maple Ave., Ste. 6, Red Bank, NJ 07701**

Telephone No. ► **732-936-1030**

Fax No. ► **732-936-1880**

- 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.

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **March 15**, 20 **15**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► calendar year 20 ____ or

► tax year beginning **August 1**, 20 **13**, and ending **July 31**, 20 **14**.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a	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.	3a	\$ 80,831.91
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.	3b	\$ 5,831.91
c	Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 75,000.00

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.