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

2013

Department of the Treasury
Internal Revenue Service

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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 December 1, 2013, and ending November 30, 2014

Name of foundation
THE LIPNICK FOUNDATION

Number and street (or P.O. box number if mail is not delivered to street address) Room/suite
1717 St. James Place 245

City or town, state or province, country, and ZIP or foreign postal code
Houston TX 77056

A Employer identification number
74-6088087

B Telephone number (see instructions)
713-871-8310

C If exemption application is pending, check here

D 1. Foreign organizations, check here
2. Foreign organizations meeting the 85% test, check here and attach computation

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

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

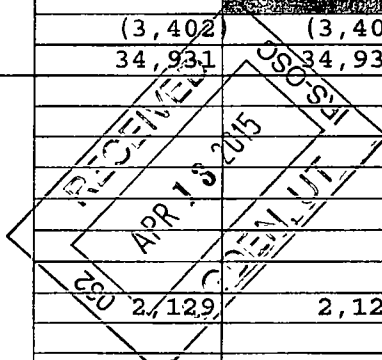
G Check all that apply: Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 833,506**

J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis.)

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 <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	37,872	37,872	37,872	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	461			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		461		
	8 Net short-term capital gain			93,273	
	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)	(3,402)	(3,402)	(3,402)		
12 Total. Add lines 1 through 11	34,931	34,931	127,743		
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)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	2,129	2,129	2,129	2,129
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) Broker Advisory	15,060	15,060	15,060	15,060
	24 Total operating and administrative expenses. Add lines 13 through 23	17,189	17,189	17,189	17,189
	25 Contributions, gifts, grants paid	141,625			141,625
26 Total expenses and disbursements. Add lines 24 and 25	158,814	17,189	17,189	158,814	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	(123,883)				
b Net investment income (if negative, enter -0-)		17,742			
c Adjusted net income (if negative, enter -0-)			110,554		



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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	138,787	101,688	101,688	
	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 Inc. Tax Overpayment	1,885	592	592	
	10a	Investments—U.S. and state government obligations (attach schedule)				
	b	Investments—corporate stock (attach schedule)	657,919	963,283	616,206	
	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)	41,700				
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation (attach schedule) ▶					
15	Other assets (describe ▶ <u>partnerships</u>)	561,744	211,286	115,020		
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,402,035	1,276,849	833,506		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	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				
	30	Total net assets or fund balances (see instructions)	1,402,035	1,276,849		
31	Total liabilities and net assets/fund balances (see instructions)	1,402,035	1,276,849			

Part III Analysis of Changes in Net Assets or Fund Balances			
1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,402,035
2	Enter amount from Part I, line 27a	2	(123,883)
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,278,142
5	Decreases not included in line 2 (itemize) ▶ <u>Tax Prepayment used re prior year</u>	5	(1,293)
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,276,849

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 attached - long term				
b See attached - short term				
c Short-term gains due to tax basis being less				
d than broker cost basis				
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				(f) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(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		
a			(94,553)	
b			79,452	
c			13,892	
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	461
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	93,273

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	147,186	1,122,415	13.11
2011	141,400	1,092,585	12.94
2010	175,805	1,235,262	14.23
2009	215,241	1,378,693	15.61
2008	120,909	1,341,320	9.01
2	Total of line 1, column (d)		64.90
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		12.98
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5		885,286
5	Multiply line 4 by line 3		114,910
6	Enter 1% of net investment income (1% of Part I, line 27b)		177
7	Add lines 5 and 6		115,087
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.		158,814

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)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	177
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	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	
6	Credits/Payments:		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	592
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	592
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	415
11	Enter the amount of line 10 to be: Credited to 2014 estimated tax 415 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)? <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>		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? <i>If "Yes," attach a detailed description of the activities.</i>		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? <i>If "Yes," attach a conformed copy of the changes.</i>		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? <i>If "Yes," attach the statement required by General Instruction T.</i>		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?		N/A
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>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ Texas		
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>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		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? Website address ► N/A	13	X	
14	The books are in care of ► <u>Elton S. Lipnick</u> Telephone no. ► <u>713-871-8310</u> Located at ► <u>1717 St. James Pl., Ste. 245, Houston, TX</u> ZIP+4 ► <u>77056</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. ► <input type="checkbox"/> 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? . . . <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 ► <input type="checkbox"/>	1b	N/A
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? <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	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. ► 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.</i>)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4b	X

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

- 5a** During the year did the foundation pay or incur any amount to:
- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
 - (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
 - (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No
- b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? 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

5b	N/A	
6b		X
7b	N/A	

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
Elton S. Lipnick 1717 St. James Pl., Ste. 245 Houston, TX 77056	Trustee as needed	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

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services		▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 None	
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	
Total. Add lines 1 through 3	▶

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	786,513
b	Average of monthly cash balances	1b	122,407
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	908,920
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	908,920
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	13,634
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	895,286
6	Minimum investment return. Enter 5% of line 5	6	44,764

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	44,764
2a	Tax on investment income for 2013 from Part VI, line 5	2a	
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	44,764
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	44,764

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	158,814
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	158,814
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	158,814

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				44,764
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only			0	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2013:				
a From 2008	53,843			
b From 2009	146,306			
c From 2010	114,968			
d From 2011	86,771			
e From 2012	90,369			
f Total of lines 3a through e	492,257			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ \$ 158,814				
a Applied to 2012, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2013 distributable amount				
e Remaining amount distributed out of corpus	144,050			
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	602,307			
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)	53,843			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	548,564			
10 Analysis of line 9:				
a Excess from 2009	146,306			
b Excess from 2010	114,968			
c Excess from 2011	86,771			
d Excess from 2012	90,369			
e Excess from 2013	114,050			

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

- 1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ▶
- b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

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

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

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

Elton S. Lipnick

- 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.

- 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:

N/A

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

N/A

- c Any submission deadlines:

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient	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)				
<p>a <i>Paid during the year</i></p> <p>SEE ATTACHED</p>		Public	Charitable	141,625
Total	▶ 3a			141,625
<p>b <i>Approved for future payment</i></p>				
Total	▶ 3b			

THE LIPNICK FOUNDATION
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Organization	Amount	Address (All addresses Houston unless otherwise indicated)
Ben Gurion U	100	24 Greenway #1550 Houston, TX 77046
American Printing House for the Blind	1,200	1839 Frankfort Ave Louisville, KY 40206
American Red Cross	800	2700 Southwest Freeway Houston, Texas 77098
Care	1,000	151 Ellis Street, NE Atlanta, GA 30303
Congregation Beth Torah	500	320 Shallow Dr. Humble, TX 77338
Congregation Beth Yeshurun	300	4525 Beechnut Street
Congregation B'nai Israel	12,000	3008 Avenue O Galveston, TX 77550
Congregation Emanu El	1,650	1500 Sunset
Congregation for Reform Judaism	100	801 Bering Dr.
Doctors Without Borders	800	333 7th Avenue, 2nd Floor New York, NY 10001-5004
ERJCC	26,400	5601 S. Braeswood
Feeding America	2,500	Box 9674 Washington, D.C. 20090-6749
The Fistula Foundation	600	1900 The Alameda, 500 San Jose, California 95126
The Friends of Titus Sparrow Park	5,000	37 Braddock Park Boston, MA 02110
Gladney Center for Adoption	1,000	6300 John Ryan Dr. Ft. Worth, TX 76132
Institute of Southern Jewish Life	2,000	Box 16528 Jackson, MS 39236
Habitat for Humanity - HBA	1000	1000 Fannin, Suite 1300
Hadassah	5,250	50 West 58 Street New York NY 10019

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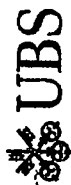
Organization	Amount	Address (All addresses Houston unless otherwise indicated)
Holocaust Museum Houston	750	5401 Caroline St. Houston, TX 77004
Houston Cherish Our Children International	1,000	Box 54007 Houston, Texas 77254
Houston Food Bank	5,400	3811 Eastex Freeway
Houston Hillel	16,500	1700 Bissonnet
Houston Humane Society	900	P. O. Box 450528
Houston PBS	600	4343 Elgin
Houston SPCA	1,500	900 Portway Drive
HSPVA Friends	500	4119 Montrose
JBI International	700	110 East 30th Street New York, NY 10016
Jewish Children's Regional	8,000	3500 N Causeway Blvd # 1120 Metairie, LA 70002
Jewish Family Service	1,350	4131 S. Braeswood
Jewish Federation of Greater Houston	9,900	5603 S. Braeswood
Jewish Guild Healthcare	500	15 W. 65 th New York, NY 10023
Juvenile Diabetes Foundation	700	1400 Post Oak Blvd.
Kids Meals	2,500	205 W. Crosstimbers
KUHF	500	Box 4878
Muscular Dystrophy Assn	350	Box 97075 Washington, DC 20090
M.D. Anderson Medical Center	100	Box 301439 Houston, TX 77230

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Organization	Amount	Address (All addresses Houston unless otherwise indicated)
Meals on Wheels for Greater Houston - Interfaith Ministries	5,000	3217 Montrose
The Melissa Institute	500	6250 Sunset Dr. #204 Miami, FL 33143
Our Lady of Walsingham Cathedral	100	7809 Shadyvilla Lane Houston, TX 77055
Salvation Army	500	2118 Washington
Seven Acres	1,000	6200 N. Braeswood
Special Olympics	1,000	7715 Chevy Chase Drive, Suite 120 Austin, Texas 78752
St. Jude Children's Research Hospital	1,000	P. O. Box 50 Memphis, TN 38101
Star of Hope	1,500	1811 Ruiz St
Teach for America	150	2 Greenway Plaza #500 Houston, TX 77046
Texas Access to Justice	5,000	Box 12886 Austin, TX 78711
Texas Children's Hospital	500	6621 Fannin St.
Trotter YMCA	700	1331 Augusta Dr. Houston, TX 77057
Undies for Everyone	5,000	1700 Bissonnet
UNICEF	1,000	P. O. Box 96383 Washington, DC 20090-6383
Union of Councils for Jews	400	2200 Pennsylvania Avenue, NW East Tower, 4th Floor Washington, DC 20037
United Way	1,225	2200 North Loop West
USO	2,500	P.O. Box 96860 Washington, DC 20077-7677

THE LIPNICK FOUNDATION
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Organization	Amount	Address (All addresses Houston unless otherwise indicated)
U of TX Dental School	100	7500 Cambridge Street Houston, TX 77054
Wounded Warrior Project	500	1120 G Street NW, Suite 700 Washington, DC 20005
TOTAL	<u>\$141,625</u>	



Realized gain/loss

from 12/01/2013 to 11/30/2014

CUSIP	Symbol	Quantity	Purchase date	Purchase amount (\$)	Sale date	Sale amount (\$)	Realized gain/(loss) (\$)	Percent gain/(loss) (%)	Term
001011106	ADT	1,000.00	01/30/2014	31,150.00	04/03/2014	32,349.39	1,199.39	3.85%	S
037612306	APO	1,000.00	02/13/2014	31,660.00	02/24/2014	31,929.44	269.44	0.85%	S
037612306	APO	1,000.00	05/07/2014	26,369.90	06/19/2014	28,709.47	2,339.57	8.87%	S
040101103	ARCC	5.00	03/28/2014	88.08	07/01/2014	89.49	1.41	1.60%	S
040101103	ARCC	43.00	06/30/2014	761.75	07/01/2014	769.68	7.93	1.04%	S
148887102	CTR	500.00	07/17/2014	22,175.00	08/19/2014	23,359.48	1,184.48	5.34%	S
205887102	CAG	2,500.00	06/26/2014	72,194.00	07/10/2014	76,248.37	4,054.37	5.62%	S
235825205	DAN	500.00	11/06/2013	9,569.91	01/15/2014	10,399.97	830.06	8.67%	S
369604103	GE	3,000.00	01/17/2014	79,950.00	04/23/2014	79,708.54	-241.46	-0.30%	S
382550101	GT	1,000.00	07/31/2014	25,266.90	08/18/2014	25,539.54	272.64	1.08%	S
L5140P101	I	2,000.00	07/01/2014	37,880.00	10/30/2014	39,773.12	1,893.12	5.00%	S
529771107	LXK	1,000.00	04/23/2014	41,850.00	04/30/2014	42,911.05	1,061.05	2.54%	S
535782106	LNCO	2,000.00	01/02/2014	60,820.00	01/09/2014	63,818.89	2,998.89	4.93%	S
535782106	LNCO	1,500.00	05/23/2014	42,030.32	06/04/2014	42,779.05	748.73	1.78%	S

Realized gain/loss - from 12/01/2013 to 11/30/2014 (continued)

CUSIP	Symbol	Quantity	Purchase date	Purchase amount (\$)	Sale date	Sale amount (\$)	Realized gain/(loss) (\$)	Percent gain/(loss) (%)
617446448	MS	500.00	07/01/2014	16,185.00	07/24/2014	16,761.18	576.18	3.56%
628530107	MYL	1,000.00	05/13/2014	47,610.00	05/20/2014	50,108.89	2,498.89	5.25%
651639106	NEM	1,000.00	12/20/2013	22,529.90	01/02/2014	24,219.68	1,689.78	7.50%
67063W102	NPM	3,000.00	06/11/2013	41,699.70	01/22/2014	39,509.61	-2,190.09	-5.25%
714236106	PBT	500.00	03/07/2014	6,444.95	05/20/2014	7,150.10	705.15	10.94%
745867101	PHM	2,000.00	04/30/2014	36,500.00	05/28/2014	40,219.11	3,719.11	10.19%
D17698107	DBRT	500.00	05/14/2014	0.00	06/10/2014	1,059.98	0.00	0.00%
855030102	SPLS	2,000.00	07/14/2014	22,179.80	09/02/2014	24,759.45	2,579.65	11.63%
872540109	TIX	500.00	08/18/2014	26,883.50	08/19/2014	28,444.37	1,560.87	5.81%
92857W308	VOD	2,000.00	06/05/2014	68,519.80	11/20/2014	71,059.43	2,539.63	3.71%
416515120	HIGWS	1,500.00	01/29/2014	36,810.00	02/13/2014	38,369.33	1,559.33	4.24%
22757R109	CRT	1,000.00	03/20/2012	44,957.87	05/14/2014	32,527.20	-12,430.67	-27.65%
22757R109	CRT	951.00	04/13/2012	36,492.89	05/14/2014	30,933.37	-5,559.52	-15.23%
35906A108	FTR	3,000.00	02/24/2011	22,780.20	12/17/2013	14,257.25	-8,522.95	-37.41%



Realized gain/loss - from 12/01/2013 to 11/30/2014 (continued)

CUSIP	Symbol	Quantity	Purchase date	Purchase amount (\$)	Sale date	Sale amount (\$)	Realized gain/(loss) (\$)	Percent gain/(loss) (%) Term
524707304	LGCY	1,500.00	04/20/2011	48,945.67	06/24/2014	47,566.95	-1,378.72	-2.82%
63900P103	NRP	1,000.00	07/29/2011	31,617.29	05/12/2014	15,249.76	-16,367.53	-51.77%
63900P103	NRP	1,500.00	01/27/2012	41,976.62	05/12/2014	22,874.65	-19,101.97	-45.51%
714236106	PBT	100.00	11/02/2012	1,476.23	05/20/2014	1,432.97	-43.26	-2.93%

TOTAL GAINS:	83,080.67
TOTAL LOSSES:	-98,182.01
SHORT TERM - TOTAL REALIZED GAIN/(LOSS):	79,451.59
LONG TERM - TOTAL REALIZED GAIN/(LOSS):	-94,552.93

ws1 : Wash Sale adjustment amount of \$-1,125.32
 ws2 : Wash Sale adjustment amount of \$1,125.32

PART II - LINE 10b

Equities: Common Stock			
Number of Shares	Holding	Cost	Value
4,000	Apollo Global Mgmt LLC	115,907	97,760
9,116	Apollo Investment Corp.	91,935	75,116
1,000	Chicago Bridge & Iron Co NV	62,216	50,030
500	Deutsche Bank AG	21,495	16,325
1,500	Goodrich Pete Corp	33,839	9,075
5,000	Kinross Gold Corp New Cad	39,850	14,000
5,000	Lightstream Res Ltd Cad	73,916	11,250
6,000	McDermott Intl Inc	47,489	21,300
10,000	Penn West Pete Ltd	153,244	35,300
2,000	Pulte Group	38,980	43,260
2,000	Ryland Group	76,300	78,260
2,000	Swift Energy Co	22,520	9,000
1,000	Transocean Ltd	37,047	21,010
1,000	Trinity Industries	34,395	32,060
2,000	Trinity Biotech PLC	46,100	34,320
1,000	W P Carey Inc REIT	68,050	68,140
	Total	\$963,283	\$616,206

PART II - LINE 15

Equities: Other Equity Investments			
4,000	Boardwalk Pipeline Partners LP	118,426	66,000
2,000	Breitbart Energy Partners LP	30,680	26,420
2,000	Rentech Nitrogen Partners L P	62,380	22,600
	Total	\$211,486	\$115,020

PART I, LINE 11 SCHEDULE

1. Royalty income		\$3,308	
Severance tax	344		
Adm. Exp.	100		
Depletion	<u>496</u>	<u>(940)</u>	\$2,368
2. Boardwalk Pipeline			(7,085)
3. Legacy Reserves			(2,210)
4. Natural Resource			180
5. PVR			985
6. Rentech			(5,369)
7. Northern Tier Energy			469
8. Apollo Global Mgmt			7,562
9. Breitburn Energy			<u>(302)</u>
		TOTAL	<u>(\$3,402)</u>