Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014 or tax year beginning , 2014, and ending , 20

Name of foundation: Thayer Corporation

A Employer identification number: 23-6266383

Number and street (or P O box number if mail is not delivered to street address): c/o Hemmenway & Reinhardt, Inc.

Room/suite:

B Telephone number (see instructions): 610-544-4545

City or town, state or province, country, and ZIP or foreign postal code: Swarthmore, PA 19081

C If exemption application is pending, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 1,381,740

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

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

Part I Analysis of Revenue and Expenses *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	56,397	56,397		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10				
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)		32,002		
	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	56,397	88399		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.	20,000	2,500		17,500
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	2,100			2,100
	c	Other professional fees (attach schedule)	12,007	12,007		
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,767			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	6,376	638		5,738
	22	Printing and publications				
	23	Other expenses (attach schedule)	491	491		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	42,741	15,636		25,338
	25	Contributions, gifts, grants paid	43,000			43,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	85,741	15,636		68,338
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-29,344			
	b	**Net investment income** (if negative, enter -0-)		72,763		
	c	**Adjusted net income** (if negative, enter -0-)				

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Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	35,977	17	17
	2	Savings and temporary cash investments		127,894	127,894
	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)	13,446	9,572	10,550
	b	Investments—corporate stock (attach schedule)	944,788	955,595	1,177,631
	c	Investments—corporate bonds (attach schedule)	163,916	64,620	65,648
	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)	1,158,127	1,157,698	1,381,740
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	1,158,127	1,157,698	
	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)	1,158,127	1,157,698	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,158,127	1,157,698	

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	1,158,127
2	Enter amount from Part I, line 27a	2	-29,344
3	Other increases not included in line 2 (itemize) ▶ Net Realized Gain	3	32,002
4	Add lines 1, 2, and 3	4	1,160,785
5	Decreases not included in line 2 (itemize) ▶ Various Book Value Adjustments by Custodian	5	-3,087
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,157,698

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	Publicly Traded Securities - See Enclosed Schedule	P	Various	2014
b	Various GNMA Pools	P	2003/2004	2014
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	256,065		223,960	32,105
b	3,771		3,874	-103
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col (j), if any	
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } 2 32,002

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 . . . 3 0

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2013	64,377	1,296,489	0.0496549
2012	63,741	1,216,038	0.0524170
2011	64,856	1,241,150	0.0522548
2010	62,472	1,154,272	0.0541224
2009	60,715	1,176,785	0.0515940

2	**Total** of line 1, column (d) . . .	2	0.2600431
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . .	3	0.05200862
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5 . . .	4	1,365,600
5	Multiply line 4 by line 3 . . .	5	71,023
6	Enter 1% of net investment income (1% of Part I, line 27b) . . .	6	710
7	Add lines 5 and 6 . . .	7	71,733
8	Enter qualifying distributions from Part XII, line 4 . . .	8	68,338

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	1,455
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	1,455
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	1,455
6	Credits/Payments:		
a	2014 estimated tax payments and 2013 overpayment credited to 2014 — 6a		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d	7	0
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	1,455
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	0
11	Enter the amount of line 10 to be: **Credited to 2015 estimated tax** ▶ Refunded ▶	11	0

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		✓
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		✓
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ ________ **(2)** On foundation managers. ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		✓
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		✓
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		✓
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		✓
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		✓
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	✓	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	✓	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	✓	
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 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		✓
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		✓

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		✓
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		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ▶

14 The books are in care of ▶ Hemmenway & Reinhardt, Inc. Telephone no. ▶ 610-544-4545
Located at ▶ 4 Park Avenue, Swarthmore, PA ZIP+4 ▶ 19081-1723

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

			Yes	No
16	At any time during calendar year 2014, 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		✓
	See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-22.1). If "Yes," enter the name of the foreign country ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?	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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☐ No			
	If "Yes," list the years ▶ 20 __ , 20 __ , 20 __ , 20 __			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions.)	2b		✓
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20 __ , 20 __ , 20 __ , 20 __			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☐ No			
b	If "Yes," did it have excess business holdings in 2014 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 2014.)*	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 2014?	4b		✓

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

		Yes	No
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 4945(d)(4)(A)? (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)?	**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? ☐ 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? *If "Yes" to 6b, file Form 8870.*	**6b**	✓
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?	**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
See Enclosed List				

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 "NONE"	
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	1,327,312
b	Average of monthly cash balances	1b	59,084
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	1,386,396
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	0
3	Subtract line 2 from line 1d	3	1,386,396
4	Cash deemed held for charitable activities. Enter 1 ½ % of line 3 (for greater amount, see instructions)	4	20,796
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,365,600
6	**Minimum investment return.** Enter 5% of line 5	6	68,280

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	68,280
2a	Tax on investment income for 2014 from Part VI, line 5	2a	1,455		
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b	0		
c	Add lines 2a and 2b			2c	1,455
3	Distributable amount before adjustments Subtract line 2c from line 1			3	66,825
4	Recoveries of amounts treated as qualifying distributions			4	0
5	Add lines 3 and 4			5	66,825
6	Deduction from distributable amount (see instructions)			6	0
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	66,825

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	68,338
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	68,338
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	68,338

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 2013	(c) 2013	(d) 2014
1	Distributable amount for 2014 from Part XI, line 7				66,825
2	Undistributed income, if any, as of the end of 2014:				
a	Enter amount for 2013 only			0	
b	Total for prior years: 20 10 ,20 11 ,20 12		0		
3	Excess distributions carryover, if any, to 2014:				
a	From 2009 . . . 2,249				
b	From 2010 . . . 1,012				
c	From 2011 . . . 3,190				
d	From 2012 . . . 3,403				
e	From 2013 . . . 1,320				
f	**Total** of lines 3a through e	11,174			
4	Qualifying distributions for 2014 from Part XII, line 4: ▶ $ 68,338				
a	Applied to 2013, but not more than line 2a			0	
b	Applied to undistributed income of prior years (Election required—see instructions)		0		
c	Treated as distributions out of corpus (Election required—see instructions)	0			
d	Applied to 2014 distributable amount				66,825
e	Remaining amount distributed out of corpus	1,513			
5	Excess distributions carryover applied to 2014 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	0			0
6	**Enter the net total of each column as indicated below:**				
a	Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	12,687			
b	Prior years' undistributed income. Subtract line 4b from line 2b		0		
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d	Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e	Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f	Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				0
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)	0			
8	Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	2,249			
9	**Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a	10,438			
10	Analysis of line 9:				
a	Excess from 2010 . . . 1,012				
b	Excess from 2011 . . . 3,190				
c	Excess from 2012 . . . 3,403				
d	Excess from 2013 . . . 1,320				
e	Excess from 2014 . . . 1,513				

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 2014, 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) 2014	(b) 2013	(c) 2012	(d) 2011	
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).)

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:

Paul E. Macht, President 10 Brettagne Arbordeau, Devon, PA 19333 (610) 725-0473

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

There is no prescribed form in which applications should be submitted. They should, however, include name, address, telephone number, evidence of exempt status, financial status, and project or specific need information.

c Any submission deadlines:

There is no submission deadline for new requests.

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

Only organizations exempt under IRS Section 501 (c) (3) will be considered.

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See Enclosed Attachment	N/A	501(c)(3)	To Support Charitable Purposes of Grantor	43,000
Total . . . . . . ▶ 3a				43,000
b *Approved for future payment*				
"NONE"				
Total . . . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	56,397	
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)				56,397	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 56,397

(See worksheet in line 13 instructions to verify calculations.)

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

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

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		✓
	(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	1c		✓

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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

b If "Yes," complete the following schedule.

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

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Paul E Macher — Signature of officer or trustee | 5/14/15 — Date | President — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Peter W. Hemmenway		5/13/2015		P01472129
Firm's name ► Hemmenway & Reinhardt, Inc.			Firm's EIN ►	23-2459311
Firm's address ► 4 Park Avenue, Swarthmore, PA 19081			Phone no.	610-544-4545

THAYER CORPORATION

SCHEDULES OF INFORMATION FOR FORM 900PF 2014

Part 1 – Line 16b

Hemmenway & Reinhardt, Inc.	$ 2,100

Part 1 – Line 16c

UBS Strategic Advisors	$12,007

Part 1 – Line 23b

Foreign Taxes	$ 481
Miscellaneous	10
	$ 491

Realized gains and losses

Estimated 2014 gains and losses for transactions with trade dates through 12/31/14 have been incorporated into this statement Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss Please check with your tax advisor To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order

See *Important information about your statement* on the last page of this statement for more information We may not adjust gains and losses for all capital changes Cost basis for coupon tax-exempt municipal securities, include securities subject to AMT, has been adjusted for mandatory amortization of bond premium Estimates in the Unclassified section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

Short-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
KINDER MORGAN INC	FIFO	0 930	Nov 28, 14	Dec 03, 14	38 89	38 63			0 26

continued next page

UBS | UBS Strategic Advisor

Account name: THAYER CORPORATION
Account number: VQ 05856 PF

Your Financial Advisor:
PLOTNICK / FORMAN 610-832-3011
610-832-3002/800-240-0340

Realized gains and losses (continued)

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
AMERICAN EXP FSB UT RT 03 5000% MAT 03/04/14 FIXED RATE CD Original cost basis $50,500 00	FIFO	50,000 000	Sep 08, 09	Mar 04, 14	50,000 00	50,000 00			
AT&T INC	FIFO	50 000	Mar 03, 03	May 22, 14	1,767 97	1,046 50			721 47
	FIFO	265 000	Apr 08, 03	May 22, 14	9,370 21	4,540 00			4,830 21
EL PASO PIPELINE PARTNERS L P UNITS REPSTG LTD PARTNER	FIFO	800 000	Jun 11, 09	Nov 19, 14	33,972 37	13,999 51			19,972 86
GILEAD SCIENCES INC	FIFO	50 000	Jun 27, 06	Oct 17, 14	4,998 89	703 00			4,295 89
GOLDMAN SACHS BK UT US RT 05 0000% MAT 12/05/14 FIXED RATE CD Original cost basis $30,678 00	FIFO	30,000 000	Apr 04, 08	Dec 05, 14	30,000 00	30,000 00			
ISHARES TIPS BOND ETF	FIFO	200 000	Feb 10, 09	Jan 17, 14	22,253 63	20,116 68			2,136 95
JOHN HANCOCK SIGNATURE 03 126% 051514 DTD051304 FC061504 NOTES NTS	FIFO	20,000 000	Apr 21, 08	May 15, 14	20,000 00	19,000 00 [1]			1,000 00
KINDER MORGAN ENERGY PARTNERS **MERGER EFF 12/2014** MLP	FIFO	300 000	Aug 15, 05	Dec 03, 14	30,558 12	15,324 00			15,234 12
MORGAN STANLEY EMERGING MARKETS DOMESTIC DEBT FD INC	FIFO	1,250 000	Apr 23, 07	Jan 30, 14	15,132 24	25,000 00		-9,867 76	
	FIFO	30 000	Apr 15, 09	Jan 30, 14	363 17	308 60			54 57
	FIFO	1,000 000	Jun 11, 09	Jan 30, 14	12,105 79	13,551 00		-1,445 21	
	FIFO	43 000	Jul 15, 09	Jan 30, 14	520 55	559 74		-39 19	
TCW EMERGING MARKETS INCOME FUND CLASS I	FIFO	1,086 098	Oct 10, 12	Dec 16, 14	8,471 57	9,922 94		-1,451 37	
	FIFO	2,116 910	Jan 15, 13	Dec 16, 14	16,511 90	19,849 81		-3,337.91	
Total					**$256,026.41**	**$223,921.78**		**-$16,141.44**	**$48,246.07**
Net long-term capital gains or losses									**$32,104.63**
Net capital gains/losses.									**$32,104.89**

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

THAYER CORPORATION
EIN: 23-6266383

2014 Form 990 PF

SCHEDULE: PART VIII: Officer and Directors

Paul E. Macht 10 Brettagne Arbordeau Devon, PA 19333	President & Director	$20,000.04
Patricia M. Bulat 506 Topsfield Spur Rd. PO Box 1624 Hockessin, DE 19707	Vice Pres. & Director	-0-
James T. Macht 217 West Cherokee Ave. Cartersv1lle, GA 30120	Treasurer & Director	-0-
Albert L. Doering, III 43 Deepdale Road Wayne, PA 19087	Secretary & Director	-0-
Thomas F. Bulat 506 Topsfield Spur Rd. PO Box 1624 Hockessin, DE 19707	Director	-0-
Jacqueline L. Macht 194 Church Road Smyrna, GA 30082	Director	-0-
Victoria Macht 1100 Pulaski Street, Apt. 628 Vista Commons Columbia, SC 29201	Director	-0-

THAYER CORPORATION

GRANTS PAID DURING YEAR ENDED 12/31/2014

PART XV

Darlington Arts Center	$2,000.00
Ethel Mason Child Development Center	4,000.00
Mary Campbell Center Respite Care Fund	2,000.00
Philadelphia Orchestra Association	2,000.00
Quest Therapeutic Services, Inc.	4,000.00
Jenkins Arboretum	1,000.00
Delaware County SPCA	4,000.00
Penn Home	4,000.00
Wagner Free Institute of Science	2,000.00
Royer-Greaves School for the Blind	3,000.00
Wayne Art Center	1,000.00
The School at Church Farm	3,000.00
Chester County Pops	1,000.00
Williamson Free Trade School of Mechanical Trades	3,000.00
Center School	1,000.00
Germantown Friends School	2,000.00
Pumphouse Players, Inc.	1,000.00
Pets Inc., The Carolinas Humane Society	2,000.00
Wentworth Home	1,000.00

TOTAL GRANTS	$43,000.00
	==========

Your assets

Some prices, income and current values shown may be approximate As a result, gains and losses may not be accurately reflected See *Important information about your statement* at the end of this document for more information

Cash

Cash and money balances

Cash and money balances may include available cash balances, UBS Bank USA deposit account balances, UBS AG Stamford Branch deposit account balances and money market mutual fund sweep balances

UBS Bank USA deposit account balances are insured by the FDIC within applicable limits, but are not protected by SIPC UBS AG Stamford Branch deposit account balances are not insured by FDIC and are not protected by SIPC Money market sweep balances are protected by SIPC but are not insured by the FDIC See the *Important information about your statement* at the end of this document for details about those balances

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
Cash	0 00	16 69					
UBS BANK USA BUS ACCT	68,346 70	127,894 03					250,000 00
Total	**$68,346.70**	**$127,910.72**					

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ABBVIE INC COM								
Symbol ABBV Exchange NYSE								
EAI $490 Current yield. 3 00%	Apr 27, 05	100.000	25 102	2,510 20	65 440	6,544 00	4,033 80	LT
	Apr 30, 07	150 000	29 461	4,419 25	65 440	9,816 00	5,396.75	LT
Security total		250 000	27 718	6,929 45		16,360 00	9,430.55	
APPLE INC								
Symbol AAPL Exchange OTC								
EAI $263 Current yield 1 70%	May 9, 12	140 000	81 642	11,430 00	110 380	15,453 20	4,023.20	LT
APPLIED MATERIALS INC								
Symbol AMAT Exchange OTC								
EAI $200 Current yield 1 61%	Nov 4, 11	500 000	12.349	6,174 60	24 920	12,460 00	6,285 40	LT

continued next page

Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
AQUA AMER INC								
Symbol WTR Exchange NYSE								
EAI $198 Current yield 2 47%	Oct 17, 14	300 000	23 946	7,184 04	26 700	8,010 00	825 96	ST
BANK OF AMER CORP								
Symbol BAC Exchange NYSE								
EAI $150 Current yield 1 12%	Oct 13, 03	222 000	29 340	6,513 48	17 890	3,971 58	-2,541 90	LT
	Aug 4, 05	228 000	43 620	9,945 36	17 890	4,078 92	-5,866 44	LT
	Nov 15, 10	300 000	12 269	3,680 76	17 890	5,367 00	1,686 24	LT
Security total		750 000	26 853	20,139 60		13,417 50	-6,722 10	
BRISTOL MYERS SQUIBB CO								
Symbol BMY Exchange NYSE								
EAI $592 Current yield 2 51%	Apr 1, 04	175 000	24 410	4,271 75	59 030	10,330 25	6,058 50	LT
	Jul 20, 04	225 000	23 510	5,289 75	59 030	13,281 75	7,992 00	LT
Security total		400 000	23 904	9,561 50		23,612 00	14,050 50	
BRITISH AMER TOBACCO PLC GB								
SPON ADR								
Symbol BTI Exchange AMEX								
EAI $410 Current yield 4 47%	Nov 12, 13	85 000	108 720	9,241 20	107 820	9,164 70	-76 50	LT
CENTURYLINK INC								
Symbol CTL Exchange NYSE								
EAI $432 Current yield 5 46%	Sep 30, 10	200 000	39 877	7,975 50	39 580	7,916 00	-59 50	LT
CHEVRON CORP								
Symbol CVX Exchange NYSE								
EAI $899 Current yield 3 82%	Oct 7, 96	110 000	32 500	3,575 00	112 180	12,339 80	8,764 80	LT
	Mar 13, 98	100 000	41 940	4,194 00	112 180	11,218 00	7,024 00	LT
Security total		210 000	36 995	7,769 00		23,557 80	15,788 80	
CISCO SYSTEMS INC								
Symbol CSCO Exchange OTC								
EAI $418 Current yield 2 73%	Nov 12, 03	200 000	22 410	4,482 00	27 815	5,563 00	1,081 00	LT
	Dec 17, 03	150 000	23 880	3,582 00	27 815	4,172 25	590 25	LT
	Oct 10, 12	200 000	18 616	3,723 30	27 815	5,563 00	1,839 70	LT
Security total		550 000	21 431	11,787 30		15,298 25	3,510 95	

continued next page

Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
CITIGROUP INC								
Symbol C Exchange NYSE								
EAI $5 Current yield 0 07%	Oct 15, 97	30 000	208 800	6,264 00	54 110	1,623.30	-4,640 70	LT
	Mar 14, 12	100 000	35 347	3,534 76	54 110	5,411 00	1,876 24	LT
Security total		130 000	75 375	9,798 76		7,034 30	-2,764 46	
COCA COLA CO COM								
Symbol KO Exchange NYSE								
EAI $244 Current yield 2 89%	Apr 14, 08	200 000	30 615	6,123 00	42 220	8,444 00	2,321.00	LT
COMCAST CORP NEW SPECIAL CL A								
Symbol CMCSK Exchange OTC								
EAI $450 Current yield 1.56%	Sep 2, 03	300 000	18 580	5,574 00	57 565	17,269 50	11,695 50	LT
	May 18, 11	200.000	23 846	4,769 30	57 565	11,513.00	6,743.70	LT
Security total		500 000	20 687	10,343 30		28,782 50	18,439.20	
CVS HEALTH CORP								
Symbol CVS Exchange NYSE								
EAI $280 Current yield 1 45%	Jun 27, 06	125 000	29 910	3,738 75	96 310	12,038 75	8,300 00	LT
	Jun 27, 06	75 000	29 870	2,240 25	96 310	7,223 25	4,983 00	LT
Security total		200 000	29 895	5,979 00		19,262 00	13,283 00	
DIAGEO PLC NEW GB SPON ADR								
Symbol DEO Exchange NYSE								
EAI $253 Current yield 2 96%	Nov 12, 13	75 000	128 120	9,609 00	114 090	8,556 75	-1,052 25	LT
DOW CHEMICAL								
Symbol DOW Exchange NYSE								
EAI $336 Current yield 3 68%	Apr 7, 03	100 000	30 130	3,013 00	45 610	4,561 00	1,548 00	LT
	May 27, 03	100 000	31 510	3,151 00	45 610	4,561 00	1,410 00	LT
Security total		200 000	30 820	6,164 00		9,122 00	2,958 00	
EXXON MOBIL CORP								
Symbol XOM Exchange NYSE								
EAI $304 Current yield 2 99%	Oct 15, 97	110 000	23 054	2,535 97	92 450	10,169 50	7,633 53	LT
FORD MOTOR CO COM NEW								
Symbol F Exchange NYSE								
EAI $500 Current yield 3 23%	Mar 25, 10	500 000	14 018	7,009 20	15 500	7,750 00	740 80	LT
	Jan 15, 13	500 000	14 236	7,118 40	15 500	7,750 00	631 60	LT

continued next page

Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Security total		1,000 000	14 128	14,127 60		15,500 00	1,372 40	
GENL ELECTRIC CO Symbol GE Exchange NYSE EAI $731 Current yield 3 64%	Dec 13, 96	795 000	16 001	12,721 32	25.270	20,089 65	7,368 33	LT
GILEAD SCIENCES INC Symbol GILD Exchange OTC	Jun 27, 06	150 000	14 060	2,109 00	94 260	14,139 00	12,030 00	LT
HARTFORD FINCL SERVICES GROUP INC Symbol HIG Exchange NYSE EAI $72 Current yield 1 73%	May 6, 03	100 000	44 820	4,482 00	41 690	4,169 00	-313 00	LT
HEALTH CARE REIT INC SBI Symbol HCN Exchange NYSE EAI. $1,431 Current yield 4 20%	Feb 12, 14	450 000	57 017	25,657 70	75 670	34,051.50	8,393 80	ST
HOME DEPOT INC Symbol HD Exchange NYSE EAI $376 Current yield 1 79%	May 18, 11	200 000	37 338	7,467 72	104 970	20,994 00	13,526 28	LT
INTEL CORP Symbol INTC Exchange OTC EAI $450 Current yield 2 48%	Mar 25, 10	500 000	22 617	11,308 75	36 290	18,145 00	6,836 25	LT
INTL BUSINESS MACH Symbol IBM Exchange NYSE EAI $440 Current yield 2 74%	Jun 11, 09	100 000	110 428	11,042 85	160 440	16,044 00	5,001 15	LT
JOHNSON & JOHNSON COM Symbol JNJ Exchange NYSE EAI $840 Current yield 2 68%	Apr 17, 98	300 000	36 480	10,944 00	104 570	31,371 00	20,427 00	LT
JPMORGAN CHASE & CO Symbol. JPM Exchange NYSE EAI $560 Current yield 2 56%	Apr 25, 08	200 000	47 350	9,470 00	62 580	12,516 00	3,046 00	LT
	Jun 10, 08	150 000	38 590	5,788 50	62 580	9,387 00	3,598 50	LT
Security total		350 000	43 596	15,258 50		21,903 00	6,644 50	
KINDER MORGAN INC Symbol KMI Exchange NYSE EAI $1,156 Current yield 4 16%	Nov 28, 14	657 000	41 534	27,288 49	42 310	27,797 67	509 18	ST

continued next page

Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
LOCKHEED MARTIN CORP								
Symbol LMT Exchange NYSE								
EAI $300 Current yield 3 12%	Mar 23, 09	50 000	67 900	3,395 00	192 570	9,628 50	6,233 50	LT
MCDONALDS CORP								
Symbol MCD Exchange NYSE								
EAI $340 Current yield 3 63%	May 18, 11	100 000	81 108	8,110.88	93 700	9,370 00	1,259 12	LT
MERCK & CO INC NEW COM								
Symbol MRK Exchange NYSE								
EAI $923 Current yield 3 17%	Aug 9, 07	363 000	35 304	12,815 61	56 790	20,614 77	7,799 16	LT
	Apr 14, 08	150 000	41 300	6,195 00	56 790	8,518 50	2,323 50	LT
Security total		513 000	37 058	19,010 61		29,133 27	10,122.66	
MICROSOFT CORP								
Symbol MSFT Exchange OTC								
EAI $496 Current yield 2 67%	Apr 28, 98	400 000	23 301	9,320 68	46 450	18,580 00	9,259 32	LT
MONSANTO CO NEW								
Symbol MON Exchange NYSE								
EAI $98 Current yield 1 64%	May 24, 07	50 000	59 970	2,998 50	119 470	5,973 50	2,975.00	LT
NOVARTIS AG SPON ADR								
Symbol NVS Exchange NYSE								
EAI $281 Current yield 2 53%	Nov 12, 13	120 000	78 114	9,373 70	92 660	11,119.20	1,745.50	LT
ORACLE CORP								
Symbol ORCL Exchange NYSE								
EAI $132 Current yield 1 07%	Oct 23, 08	275 000	17 260	4,746 50	44 970	12,366 75	7,620 25	LT
PENN REAL EST INV SBI								
Symbol PEI Exchange NYSE								
EAI $200 Current yield 3 41%	Sep 6, 06	250 000	40 247	10,061 92	23 460	5,865 00	-4,196 92	LT
PEPSICO INC								
Symbol. PEP Exchange NYSE								
EAI $629 Current yield 2 77%	Feb 6, 03	140 000	39 560	5,538 40	94 560	13,238 40	7,700 00	LT
	Oct 13, 03	100 000	48 230	4,823 00	94 560	9,456 00	4,633 00	LT
Security total		240.000	43 173	10,361 40		22,694 40	12,333 00	
PFIZER INC								
Symbol PFE Exchange NYSE								
EAI $924 Current yield. 3 60%	Jan 14, 97	525 000	15 213	7,987.00	31 150	16,353 75	8,366.75	LT

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Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
	Mar 25, 10	300 000	17 506	5,251 95	31 150	9,345 00	4,093 05	LT
Security total		825 000	16 047	13,238 95		25,698 75	12,459 80	
PNC FINANCIAL SERVICES GROUP Symbol PNC Exchange NYSE EAI $288 Current yield 2 10%	Apr 22, 05	50 000	51 560	2,578 00	91 230	4,561 50	1,983 50	LT
	Jan 11, 07	100 000	74 970	7,497 00	91 230	9,123 00	1,626 00	LT
Security total		150 000	67 167	10,075 00		13,684 50	3,609 50	
PROCTER & GAMBLE CO Symbol PG Exchange NYSE EAI $515 Current yield 2 83%	Aug 18, 97	200 000	33 431	6,686 29	91 090	18,218 00	11,531 71	LT
RAYTHEON CO NEW Symbol RTN Exchange NYSE EAI $242 Current yield 2 24%	May 18, 11	100 000	49 128	4,912 86	108 170	10,817 00	5,904 14	LT
SANOFI SPON ADR Symbol SNY Exchange NYSE EAI $237 Current yield 2 89%	Nov 12, 13	180 000	52 915	9,524 79	45 610	8,209 80	-1,314 99	LT
SUNCOR ENERGY INC NEW CAD Symbol SU Exchange NYSE EAI $385 Current yield 3 03% CAD Exchange rate 1 15825	Jan 29, 08	400 000	45 672	18,269 00	31 780	12,712 00	-5,557 00	LT
TORONTO DOMINION BK NEW CANADA CAD Symbol TD Exchange NYSE EAI $331 Current yield 3 46% CAD Exchange rate 1.15825	Mar 14, 12	200 000	42 282	8,456 50	47 780	9,556 00	1,099 50	LT
TOTAL S A FRANCE SPON ADR Symbol TOT Exchange NYSE EAI $427 Current yield 5 21%	Nov 12, 13	160 000	58 907	9,425 21	51 200	8,192 00	-1,233 21	LT
UNILEVER PLC AMER SHS NEW SPON ADR Symbol UL Exchange NYSE EAI $351 Current yield 3 69%	Nov 12, 13	235 000	39 756	9,342 80	40 480	9,512 80	170 00	LT
UNTD TECHNOLOGIES CORP Symbol UTX Exchange NYSE EAI $295 Current yield 2 05%	Apr 19, 06	125 000	61 300	7,662 50	115 000	14,375 00	6,712 50	LT

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Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
VERIZON COMMUNICATIONS INC								
Symbol VZ Exchange NYSE								
EAI $770 Current yield 4 70%	Mar 23, 09	150 000	28 459	4,268 95	46 780	7,017 00	2,748 05	LT
	Sep 30, 10	200 000	32 939	6,587 84	46 780	9,356 00	2,768 16	LT
Security total		350 000	31 019	10,856 79		16,373 00	5,516 21	
3M CO								
Symbol MMM Exchange NYSE								
EAI $205 Current yield 2 50%	May 18, 11	50 000	93 218	4,660 93	164 320	8,216 00	3,555 07	LT
Total				**$481,643.96**		**$741,119.79**	**$259,475.83**	

Total estimated annual income: $20,849

Closed end funds & Exchange traded products

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

Cost basis is the total purchase cost of the security, including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
BLACKROCK GLOBAL OPPORTUNITIES									
EQUITY TRUST									
Symbol BOE									
Trade date Oct 24, 05	596 100	23 602	14,069 24	14,069 24	13 130	7,826 79	-6,242 45		LT
Total reinvested	285 900	15 190		4,342 89	13 130	3,753 87	-589 02		
EAI $1,027 Current yield 8 87%									
Security total	882 000	20 875	14,069 24	18,412 13		11,580 66	-6,831 47	-2,488 58	
BLACKROCK RESOURCES &									
COMMODITIES STRATEGY TR									
Symbol BCX									
Trade date May 18, 11	1,100 000	17 179	18,897 98	18,897 98	9 710	10,681 00	-8,216 98		LT
Total reinvested	78 000	12 882		1,004 84	9 710	757 38	-247 46		

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Your assets › Equities › Closed end funds & Exchange traded products (continued)

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
EAI $1,090 Current yield 9 53%									
Security total	1,178 000	16 895	18,897 98	19,902 82		11,438 38	-8,464 44	-7,459 60	
DUFF & PHELPS GLB UTL INC FD									
Symbol DPG									
Trade date Mar 14, 12	410 000	18 323	7,512 66	7,512 66	21 640	8,872 40	1,359 74		LT
Trade date Mar 11, 14	1,000 000	19 339	19,339 40	19,339 40	21 640	21,640 00	2,300 60		ST
Total reinvested	150 000	20 117		3,017 62	21 640	3,246 00	228 38		
EAI $2,184 Current yield 6 47%									
Security total	1,560 000	19 147	26,852 06	29,869 68		33,758 40	3,888 72	6,906 34	
EATON VANCE TAX MANAGED GLOBAL									
DIVERSIFIED EQUITY INCOME									
FUND									
Symbol EXG									
Trade date Feb 22, 07	1,000 000	18 262	18,262 72	18,262 72	9 490	9,490 00	-8,772 72	-8,772 72	LT
EAI $976 Current yield 10 28%									
ISHARES MSCI EAFE ETF									
Symbol EFA									
Trade date Jan 4, 06	250 000	61 630	15,407 50	15,407 50	60 840	15,210 00	-197 50		LT
Trade date Sep 4, 07	100 000	79 240	7,924 00	7,924 00	60 840	6,084 00	-1,840 00		LT
Trade date Sep 27, 07	250 000	82 340	20,585 00	20,585 00	60 840	15,210 00	-5,375 00		LT
EAI $1,357 Current yield 3 72%									
Security total	600 000	73 194	43,916 50	43,916 50		36,504 00	-7,412 50	-7,412 50	
POWERSHARES QQQ TRUST ETF									
SER 1									
Symbol QQQ									
Trade date Jan 11, 07	200 000	44 710	8,942 00	8,942 00	103 250	20,650 00	11,708 00	11,708 00	LT
EAI $216 Current yield 1 05%									
VANGUARD FTSE EMERGING MARKETS									
ETF									
Symbol VWO									
Trade date Jul 24, 12	180 000	38 576	6,943 77	6,943 77	40 020	7,203 60	259 83	259 83	LT

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Your assets › Equities › Closed end funds & Exchange traded products (continued)

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
EAI $206 Current yield 2 86%									
Total			**$137,884.27**	**$146,249.62**		**$130,625.04**	**-$15,624.58**	**-$7,259.23**	

Total estimated annual income: $7,056

Other equity investments

Cost basis and gains and losses have not been adjusted automatically for return of capital payments
Restricted security values are estimated for informational purposes See *Important information about your statement* at the end of this document for additional information

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ENTERPRISE PRODUCTS PARTNER LP MLP Symbol. EPD Exchange NYSE EAI. $657 Current yield 4 04%	Jan 11, 12	450 000	23 290	10,480 50	36.120	16,254 00	5,773 50	LT
LINN ENERGY LLC UNITS REPSTG LTD LIABILITY CO INTS Symbol LINE Exchange OTC EAI $870 Current yield 28 63%	Jan 15, 13	300 000	37 082	11,124 75	10 130	3,039 00	-8,085 75	LT
MARTIN MIDSTREAM PARTNERS LP MLP Symbol MMLP Exchange OTC EAI $1,203 Current yield 12 10%	May 22, 14	370 000	40 189	14,870 26	26 880	9,945 60	-4,924 66	ST
NUSTAR ENERGY LP UNITS Symbol NS Exchange NYSE EAI $788 Current yield 7.58%	Jan 11, 12	180 000	56 614	10,190 52	57.750	10,395 00	204.48	LT
SUNOCO LOGISTICS PARTNERS L P COM UNITS Symbol SXL Exchange NYSE EAI $1,224 Current yield 3 66%	May 11, 10	800 000	11 129	8,903 93	41 780	33,424 00	24,520 07	LT
Total				**$55,569.96**		**$73,057.60**	**$17,487.64**	

Total estimated annual income: $4,742

Your assets (continued)

Fixed income

Certificates of deposit

Cost basis has been adjusted for accreted original issue discount (OID) on long-term (more than 1 year) CDs
Cost basis has been automatically adjusted for amortization of premium using the constant yield method on long-term (more than 1 year) CDs

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Adjusted cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
GE CAP FINL INC UT US RATE 02 0000% MAT 10/14/2016 FIXED RATE CD ACCRUED INTEREST $170.96 CUSIP 36160TYZ3 EAI $800 Current yield 1 97% Original cost basis $40,715 28	Jul 24, 12	40,000 000	100 768	40,307 41	101 620	40,648 00	340 59	LT

Corporate bonds and notes

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values Actual market values may vary and thus gains/losses may not be accurately reflected Cost basis has been adjusted for accreted original issue discount (OID) Cost basis has been automatically adjusted for amortization of bond premium using the constant yield method If you have made a tax election to deduct the premium amortization on taxable debt securities, you may request UBS adjust cost basis for the bond premium amortization

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Adjusted cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
JOHN HANCOCK SIGNATURE NTS NTS B/E RATE 03 164% MATURES 02/15/15 ACCRUED INTEREST $35 16 CUSIP 41013NKT4 Moody A2 S&P AA- EAI $132 Current yield 3 16%	May 23, 08	25,000 000	97 250	24,312 50 [1]	100 000	25,000 00	687 50	LT

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

Your assets › **Fixed income** (continued)

Asset backed securities

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values Actual market values may vary and thus gains/losses may not be accurately reflected The cost basis for asset backed securities has been adjusted automatically for return of principal payments, and if issued at a discount, accreted original issue discount (OID)

Holding	Trade date	Quantity	Purchase price($)	Adjusted cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
GNMA POOL 0595612X RATE 5 5000% MATURES 12/15/32 CURRENT PAR VALUE 8,249 ACCRUED INTEREST $37 80 CUSIP 36200AVD8 EAI $454 Current yield 4 87%	Jan 08, 03	75,000 000	102 750	8,476 10	112.853	9,309 24	833 14	LT
GNMA PL 429788X RATE 06 0000% MATURES 12/15/33 CURRENT PAR VALUE 1,072 ACCRUED INTEREST $5 36 CUSIP 36207END2 EAI $64 Current yield 5 18%	Jun 15, 04	40,000 000	102 250	1,096 29	115 730	1,240 62	144 33	LT
Total		**115,000.000**		**$9,572.39**		**$10,549.86**	**$977.47**	

Total accrued interest: $43.16

Total estimated annual income: $518

Closed end funds & Exchange traded products

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

Cost basis is the total purchase cost of the security, including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
BLACKROCK CORPORATE HIGH YIELD FUND INC Symbol HYT									
Trade date Mar 25, 10	2,000 000	11 009	22,018 00	22,018 00	11 400	22,800 00	782 00		LT
Trade date Apr 8, 14	1,625 000	12 239	19,889 84	19,889 84	11 400	18,525 00	-1,364 84		ST
EAI $3,284 Current yield 7 95%									

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Your assets › **Fixed income** › **Closed end funds & Exchange traded products** (continued)

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
Security total	3,625 000	11 561	41,907 84	41,907 84		41,325 00	-582 84	-582 84	
DEUTSCHE HIGH INCOME OPPORT FD									
Symbol DHG									
Trade date Nov 21, 06	625 000	40 000	25,000 00	25,000 00	14 030	8,768 75	-16,231 25	-16,231 25	LT
EAI $668 Current yield 7 62%									
EATON VANCE LTD DURATION									
INCOME FUND									
Symbol EVV									
Trade date Apr 23, 04	1,000 000	17 904	17,904 09	17,904 09	14 120	14,120 00	-3,784 09		LT
Trade date Dec 4, 07	1,000 000	15 314	15,314 11	15,314 11	14 120	14,120 00	-1,194 11		LT
Total reinvested	596 000	14 806		8,824 58	14 120	8,415 52	-409 06		
EAI $3,167 Current yield 8 64%									
Security total	2,596 000	16 195	33,218 20	42,042 78		36,655 52	-5,387 26	3,437 32	
ISHARES TIPS BOND ETF									
Symbol TIP									
Trade date Feb 10, 09	50 000	100 583	5,029 17	5,029 17	112 010	5,600 50	571 33		LT
Trade date Mar 23, 09	150 000	102 243	15,336 51	15,336 51	112 010	16,801 50	1,464 99		LT
EAI $373 Current yield 1 67%									
Security total	200 000	101 828	20,365 68	20,365 68		22,402 00	2,036 32	2,036 32	
ISHARES IBOXX HIGH YIELD									
CORPORATE BOND ETF									
Symbol HYG									
Trade date Jan 6, 10	250 000	89 060	22,265 00	22,265 00	89 600	22,400 00	135 00	135 00	LT
EAI $951 Current yield 4 25%									
Total			**$142,756.72**	**$151,581.30**		**$131,551.27**	**-$20,030.03**	**-$11,205.45**	

Total estimated annual income: $8,443

Your assets › Fixed income (continued)

Mutual funds

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

Cost basis is the total purchase cost of the security, including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
GOLDMAN SACHS STRATEGIC INCOME CL I Symbol GSZIX Trade date Jan 17, 14	2,083 333	10 680	22,250 00	22,250 00	10 280	21,416 66	-833 34	-833 34	ST
EAI. $564 Current yield 2 63%									

Preferred securities

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
GOLDMAN SACHS GROUP INC SER D PREFERRED CLBL PAR VALUE - 25 00 USD Symbol GS PRD Exchange NYSE EAI $1,011 Current yield 5 14%	Nov 13, 09	1,000 000	20 605	20,605 00	19 670	19,670 00	-935.00	LT
MORGAN STANLEY CALL 7/15/11@$25 00 SER A PREFERRED CLBL Symbol MS PRA Exchange NYSE EAI $1,329 Current yield 5 12%	Sep 12, 12	1,300 000	19.174	24,926 72	19 960	25,948 00	1,021 28	LT
SATURNS TR NO 2007 1 7 000% CL A UNTS SER JCP 03/01/97 TR ASSETS CLBL Symbol HJV Exchange NYSE EAI $1,750 Current yield 11 55%	Feb 20, 07	1,000 000	25 000	25,000 00	15 150	15,150 00	-9,850 00	LT
Total				**$70,531.72**		**$60,768.00**	**-$9,763.72**	

Total estimated annual income: $4,090

Your assets (continued)

Other

Closed end funds & Exchange traded products

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

Cost basis is the total purchase cost of the security, including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
NEXPOINT CR STRATEGIES FD									
Symbol NHF									
Trade date Jun 23, 06	1,250 000	20 000	25,000 00	25,000 00	11 230	14,037 50	-10,962 50		LT
Total reinvested	428 000	6 468		2,768 64	11 230	4,806 44	2,037 80		
EAI $1,208 Current yield 6 41%									
Security total	1,678 000	16 549	25,000 00	27,768 64		18,843 94	-8,924 70	-6,156 06	

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**127,910.72**	**9.26%**	**127,910.72**		
Equities	Common stock	741,119 79		481,643 96	20,849 00	259,475 83
	Closed end funds & Exchange traded products	130,625 04		146,249 62	7,056.00	-15,624 58
	Other equity investments	73,057 60		55,569 96	4,742 00	17,487 64
	Total equities	**944,802.43**	**68.38%**	**683,463.54**	**32,647.00**	**261,338.89**
Fixed income	Certificates of deposits	40,648 00		40,307 41	800 00	340 59
	Corporate bonds and notes	25,000 00		24,312.50	132 00	687 50
	Asset backed securities	10,549 86		9,572 39	518 00	977 47
	Closed end funds & Exchange traded products	131,551 27		151,581 30	8,443 00	-20,030 03
	Mutual funds	21,416 66		22,250 00	564 00	-833 34
	Preferred securities	60,768 00		70,531 72	4,090 00	-9,763 72
	Total accrued interest	249 28				

continued next page

Your assets › Your total assets (continued)

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
	Total fixed income	290,183.07	21.00%	318,555.32	14,547.00	-28,621.53
Other	Closed end funds & Exchange traded products	18,843.94	1.36%	27,768.64	1,208.00	-8,924.70
Total		**$1,381,740.16**	**100.00%**	**$1,157,698.22**	**$48,402.00**	**$223,792.66**