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Form **990-PF****Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2014Department of the Treasury
Internal Revenue Service▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

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

Name of foundation MODESTUS BAUER FOUNDATION		A Employer identification number 36-4473692
Number and street (or P O box number if mail is not delivered to street address) c/o Robert J Lawrence, 300 S Wacker Drive	Room/suite 500	B Telephone number (see instructions) 312-372-1947
City or town, state or province, country, and ZIP or foreign postal code Chicago, Illinois 60606		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 16,908,555	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 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	527,232	527,242		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	681,251			
	b Gross sales price for all assets on line 6a	2,912,158			
	7 Capital gain net income (from Part IV, line 2)		681,251		
	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	3,208,483	3,208,483			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	36,000	0		36,000
	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)	65,902	65,902		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	16,516	3,815		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	387	387		387
	24 Total operating and administrative expenses. Add lines 13 through 23	118,805	70,104		36,387
	25 Contributions, gifts, grants paid	915,600			915,600
26 Total expenses and disbursements. Add lines 24 and 25	1,034,405	70,104		951,987	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	174,078				
b Net investment income (if negative, enter -0-)		1,138,379			
c Adjusted net income (if negative, enter -0-)					

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form **990-PF** (2014)

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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	-15891	132,101	132,101
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)	2,065,694	1,880,526	3,570,916
	b	Investments—corporate stock (attach schedule)	5,795,658	5,606,029	9,830,894
	c	Investments—corporate bonds (attach schedule)	2,036,876	2,137,016	916,220
	11	Investments—land, buildings, and equipment: basis ▶			
Liabilities		Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	2,291,000	2,591,742	2,458,424
	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)	12,173,337	12,347,415	16,908,555
	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 <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	12,173,337	12,347,415	
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)	12,173,337	12,347,415	
	31	Total liabilities and net assets/fund balances (see instructions)	12,173,337	12,347,415	

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	12,173,337
2	Enter amount from Part I, line 27a	2	174,078
3	Other increases not included in line 2 (itemize) ▶ basis adjustment	3	
4	Add lines 1, 2, and 3	4	12,347,415
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	12,347,415

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 Schedule			
b Charles Schwab	P	various	2014
c Abrams capital Partners LP	P	2002	2014
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b 2,628,873		2,230,907	397,966
c 283,285		0	283,285
d			
e			

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			397,966
c			283,285
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	681,251
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 }	3	

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

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

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

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

(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	866,027	16,023,534	054047
2012	780,223	14,850,570	052538
2011	753,503	14,523,136	051883
2010	739,736	14,189,465	052133
2009	747,086	12,848,517	058146

2 Total of line 1, column (d)	2	268747
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	0537494
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	16,911,360
5 Multiply line 4 by line 3	5	908,975
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	11,384
7 Add lines 5 and 6	7	920,359
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	951,987

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		11,384
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		11,384
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		11,384
6	Credits/Payments:			
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	10,000	
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		10,000
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		1,384
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11	Enter the amount of line 10 to be: Credited to 2015 estimated tax Refunded	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		✓
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>		✓
c Did the foundation file Form 1120-POL for this year?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ (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>		✓
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes.</i>		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	✓	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ Illinois		
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? <i>If "No," attach explanation</i>	✓	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

Part VII-A Statements Regarding Activities (continued)

11	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? Website address ► N/A	13	✓	
14	The books are in care of ► David Reich Telephone no. ► 312-372-1947 Located at ► 300 S. Wacker Drive, Suite 500, Chicago, IL ZIP+4 ► 60606			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. and enter the amount of tax-exempt interest received or accrued during the year ► 15			
16	At any time during calendar year 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? 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 ►	16	Yes	No
				✓

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	✓
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? <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	N/A
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 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	N/A
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)

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)? ☐ Yes ☒ No
Organizations relying on a current notice regarding disaster assistance check here ☐ **N/A**

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). **N/A**

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. **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? ☐ Yes ☒ No **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
Robert J Lawrence 418 Briarwood Place, Highland Park, IL 60035	Dir., Pres, 2 hrs	\$18,000	0	0
Linda N Lawrence 418 Briarwood Place, Highland Park, IL 60035	Dir, Asst Sec, .25 hrs	0	0	0
Lawrence A. Reich 609 Crofton Avenue S, Highland Park, IL 60035	Dir, VP, .75 hr	\$18,000	0	0
David Reich 833 Timber Hill, Highland Park, IL 60035	Dir, Sec, 1.5 hrs	0	0	0

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000 <input type="checkbox"/>				

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
Lodestar Investment Counsel, LLC		
NONE	Investment Advisors	65,902

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	17,168,894
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	17,168,894
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	17,168,894
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	257,533
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	16,911,360
6	Minimum investment return. Enter 5% of line 5	6	845,568

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	845,568
2a	Tax on investment income for 2014 from Part VI, line 5 2a	11,384	
b	Income tax for 2014. (This does not include the tax from Part VI.) 2b		
c	Add lines 2a and 2b	2c	11,384
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	834,184
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	834,184
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	834,184

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	951,987
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	951,987
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	11,384
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	940,603

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				834,184
2 Undistributed income, if any, as of the end of 2014:				
a Enter amount for 2013 only			401,704	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2014:				
a From 2009	0			
b From 2010	0			
c From 2011	0			
d From 2012	0			
e From 2013	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2014 from Part XII, line 4: ► \$ <u>951,987</u>				
a Applied to 2013, but not more than line 2a			401,704	
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				550,283
e Remaining amount distributed out of corpus	0			
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	0			
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				283,901
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)	0			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2010	0			
b Excess from 2011	0			
c Excess from 2012	0			
d Excess from 2013	0			
e Excess from 2014	0			

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 ▶ **N/A**

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 $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

None

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

None

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

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

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

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)				
a <i>Paid during the year</i>				
See Attached Schedule		PC	Charitable	915,600
Total			▶ 3a	916,600
b <i>Approved for future payment</i>				
None				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue:					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			01	527,232	
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			01	681,251,	
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)				1,208,483	
13	Total. Add line 12, columns (b), (d), and (e)				13	1,208,483

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

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

[illegible]

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

[illegible]

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

b If "Yes," complete the following schedule.

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

Sign Here _____ **President**
 Signature of officer or trustee Date Title
 May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no	

FORM 990-PF for Year 2014
MODESTUS BAUER FOUNDATION
c/o ROBERT J. LAWRENCE
300 S. Wacker Drive, Suite 500
Chicago, Illinois 60606
36-4473692

SCHEDULE OF OTHER PROFESSIONAL FEES -- (PART I, LN 16c)

Investment advisory fees	\$65,902
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SCHEDULE OF TAXES (PART I, LN 18)

Excise taxes	12,701
Foreign investment taxes	<u>3,815</u>
	\$16,516

SCHEDULE OF OTHER EXPENSES (PART I, LN 23)

Misc fees	387
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MODESTUS BAUER FOUNDATION 36-4473692

Schedule of Contributions

2014-Part XV- Line 3a

Recipient	Amount
Ravinia Festival Association	\$ 10,000.00
The Network Youth Development Program	\$ 2,000.00
Dream Associates	\$ 3,000.00
Maltz Jupiter Theatre Inc.	\$ 3,000.00
Pass With Flying Colors	\$ 1,000.00
National Council Of Jewish Women/Los Angeles	\$ 5,000.00
National Council Of Jewish Women/Los Angeles	\$ 10,000.00
Writers Theatre Inc.	\$ 25,000.00
The Cleveland Clinic Foundation	\$ 20,000.00
Northlight Theatre, Inc.	\$ 5,000.00
The Chicago Lighthouse	\$ 800.00
Friends Of The BWCA	\$ 6,500.00
Highland Park Community Foundation	\$ 7,500.00
The Nature Conservancy	\$ 7,500.00
North Shore Youth Health Services, Inc.	\$ 5,000.00
Northfield Food Pantry	\$ 2,000.00
Northwoods Land Trust	\$ 6,500.00
Horizons For Youth	\$ 8,000.00
National Multiple Sclerosis Society	\$ 17,000.00
Lake Forest Open Lands Association	\$ 2,000.00
The Chicago Horticultural Society	\$ 8,000.00
Alzheimer's Association	\$ 2,000.00
The Art Center	\$ 4,000.00
Lukemia Research Foundation	\$ 1,000.00
Evans Scholars Foundation	\$ 10,000.00
Jewish United Fund	\$ 55,000.00
MD Anderson Cancer Center	\$ 10,000.00
Anti-Defamation League Of B'nai Brith	\$ 7,500.00
Friends Of The IDF	\$ 7,500.00
Hadassah Foundation, Inc.	\$ 4,000.00
Art Encounter	\$ 5,500.00
University Of Illinois At Chicago	\$ 20,000.00
Steppenwolf Theatre Company	\$ 5,000.00
Children's Hosp. Of Chicago Foundation/Children's Research	\$ 10,000.00
Leap Learning Systems	\$ 2,000.00
Michael Rolfe Pancreatic Cancer Fund	\$ 9,000.00
North Lawndale College Prep Charter High School	\$ 2,000.00
Camperships For Nebagamon, Inc.	\$ 500.00
Daniel M. Murphy Scholarship Foundation	\$ 4,500.00

MODESTUS BAUER FOUNDATION 36-4473692

Schedule of Contributions

2014-Part XV- Line 3a

Northwestern University Excellence Fund	\$	1,000.00
American Committee For The Weizmann Institute Of Science	\$	13,000.00
Rehabilitation Institute Of Chicago	\$	15,000.00
Mayo Foundation	\$	20,000.00
Northwestern Memorial Foundation	\$	20,000.00
Planned Parenthood Of Illinois	\$	30,000.00
Forgotten Soldiers Outreach	\$	3,000.00
Unitarian Universalist Church Of Riverside, CA	\$	1,000.00
Unitarian Universalist Church Of The Desert	\$	1,000.00
A Night Out, Inc.	\$	3,000.00
HSF Basketball, Inc.	\$	4,000.00
Autism Speaks, Inc.	\$	30,000.00
Council For Jewish Elderly	\$	10,000.00
Memorial Sloan Kettering Cancer Center	\$	10,000.00
Family Service	\$	11,000.00
Dysautonomia Foundation	\$	3,000.00
Myelin Repair Foundation	\$	10,000.00
NorthShore University Health System Foundation	\$	55,000.00
Glenkirk Foundation	\$	4,000.00
Disabled Patriot Fund	\$	2,000.00
Am Yisrael	\$	3,600.00
American Jewish Committee	\$	1,000.00
American Technion Society	\$	6,000.00
The Ark	\$	4,500.00
Birthright Israel Foundation	\$	2,000.00
College Bound Opportunities	\$	3,000.00
Cove School	\$	4,500.00
CURED	\$	1,000.00
Environmental Law & Policy Center	\$	7,500.00
Israel Cancer Research Fund	\$	18,000.00
Valencia High School	\$	1,000.00
Wydown Middle School	\$	3,000.00
Clayton High School	\$	5,000.00
Washington University In St. Louis	\$	5,000.00
Trustees Of The University Of Pennsylvania	\$	1,500.00
University Of Alabama Law School	\$	1,500.00
Congregation Shaare Emeth	\$	2,000.00
Ready Readers	\$	1,500.00
Project Backpack	\$	1,500.00
Thresholds	\$	2,000.00

MODESTUS BAUER FOUNDATION 36-4473692

Schedule of Contributions

2014-Part XV- Line 3a

Streetwise	\$	1,000.00
Chicago Police Memorial Foundation	\$	1,000.00
Wydown Middle School	\$	2,000.00
Jupiter Medical Center Foundation	\$	5,000.00
Las Madrinas Guild of Childrens Hospital Central California	\$	5,000.00
Fisher House Foundation	\$	3,000.00
North Lawndale College Prep Charter High School	\$	4,000.00
Carol Gollob Foundation For Breast Cancer Research	\$	4,000.00
American Friends Of Magen David Adom	\$	4,000.00
Naomi Berrie Diabetes Center, Columbia University	\$	3,500.00
Beth Israel Medical Center	\$	1,500.00
Highland Park Public Library	\$	5,000.00
Family Action Network	\$	5,000.00
Feed My Starving Children	\$	1,000.00
Leukemia Research Foundation	\$	1,000.00
Window To The World Communications, Inc.	\$	1,000.00
The WBEZ Alliance, Inc.	\$	1,000.00
Children's Golf Foundation, Inc.	\$	5,000.00
Sunshine Through Golf Foundation	\$	3,000.00
Chicago end Of Life Care Coalition	\$	3,000.00
Park District Of Highland Park	\$	11,000.00
Jewish United Fund	\$	30,000.00
Melanoma Research Foundation	\$	3,000.00
Chicago Police Memorial Foundation	\$	3,000.00
Daniel M. Murphy Scholarship Foundation	\$	3,000.00
American Cancer Society	\$	7,000.00
Rush University Medical Center	\$	5,000.00
The Kidney Cancer Association	\$	15,000.00
Partners In Health	\$	10,000.00
Doctors Without Borders	\$	10,000.00
The Brady Center To Prevent Gun Violence	\$	1,000.00
University Of Chicago Cancer Research Foundation	\$	5,000.00
Hubbard Street Dance Company	\$	1,000.00
Holocaust Memorial Foundation Of Illinois, Inc.	\$	1,000.00
Midwest Palliative And Hospice Care	\$	5,000.00
Northern Illinois Food Bank	\$	10,000.00
Highland Park Public Library	\$	2,500.00
Glencoe Public Library	\$	1,000.00
UCAN	\$	250.00
Ready Readers	\$	500.00

MODESTUS BAUER FOUNDATION 36-4473692

Schedule of Contributions

2014-Part XV- Line 3a

LIFT	\$	22,250.00
St. Louis Arc	\$	3,000.00
Let's Start	\$	200.00
SEDOL	\$	2,500.00
Cancer Wellness Center	\$	10,000.00
Disabled American Veterans	\$	2,500.00
Lungevity Foundation	\$	2,500.00
Vasculitis Foundation	\$	2,500.00
Ann & Robert H. Lurie Children's Hospital Of Chicago	\$	5,000.00
Greater Chicago Food Depository	\$	8,500.00
Environmental Defense Fund	\$	2,500.00
Preservation Foundation Of The Lake County Forest Preserves	\$	1,000.00
Student Conservation Association	\$	2,500.00
Community Health	\$	3,000.00
SEDOL	\$	5,000.00
Jupiter Medical Center	\$	5,000.00
The Nature Conservancy	\$	2,500.00
The Ark	\$	3,000.00
American Technion Society	\$	4,000.00
Anti Defamation League	\$	2,500.00
Friends Of The IDF	\$	2,500.00
Highland Park Community Foundation	\$	2,000.00
Daniel Murphy Scholarship Fund	\$	1,500.00
First Congregational Church Of Riverside	\$	1,000.00
	\$	915,600.00
	\$	915,600.00

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2014

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
CASH & EQUIVALENTS									
	Dividend Accrual Account								
	Schwab Treasury Fund		\$ 32,101		132,101	1.1	0.000	0	0.0
			132,101		132,101	1.3	0.010	19	0.0
COMMON STOCK									
ENERGY									
3,000	Exxon Mobil Corp	24.49	73,477	92.45	277,350	1.6	2.760	8,280	3.0
2,200	Royal Dutch Shell PLC	63.04	138,678	69.56	153,032	0.9	3.760	8,272	5.4
	Spons ADR B								
2,300	Schlumberger Ltd.	79.02	181,750	85.41	196,443	1.1	2.000	4,600	2.3
			393,906		626,825	3.7		21,152	3.4
UTILITIES									
5,000	Southern Company	31.36	156,779	49.11	245,550	1.4	2.100	10,500	4.3
			156,779		245,550	1.4		10,500	4.3
TELECOMMUNICATIONS									
3,200	Verizon Communications, Inc.	47.71	152,683	46.78	149,696	0.9	2.200	7,040	4.7
			152,683		149,696	0.9		7,040	4.7
DRUGS AND MEDICAL									
3,000	Abbott Laboratories	21.24	63,726	45.02	135,060	0.8	0.960	2,880	2.1
2,000	Baxter International	67.34	134,671	73.29	146,580	0.9	2.080	4,160	2.8
4,000	Johnson & Johnson	55.88	223,540	104.57	418,280	2.4	2.800	11,200	2.7
3,400	Merck & Co.	41.03	139,514	56.79	193,086	1.1	1.800	6,120	3.2
			561,451		893,006	5.2		24,360	2.7
MANUFACTURING									
1,600	3M Company	77.78	124,441	164.32	262,912	1.5	4.100	6,560	2.5
8,000	General Electric	27.99	223,897	25.27	202,160	1.2	0.920	7,360	3.6
3,000	Illinois Tool Works Inc.	32.79	98,384	94.70	284,100	1.7	1.940	5,820	2.0

MODESTUS BAUER FOUNDATION
990-PF- 2014, 36-4473692
SCHEDULE OF INVESTMENTS AS OF 12/31/14
PART II, COLUMNS (b) AND (c)
PAGE 1 OF 7

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2014

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
4,500	Johnson Controls	32.30	145,328	48.34	217,530	1.3	1.040	4,680	2.2
			592,050		966,702	5.6		24,420	2.5
INSURANCE									
3,000	Travelers Companies Com	49.45	148,338	105.85	317,550	1.9	2.200	6,600	2.1
			148,338		317,550	1.9		6,600	2.1
CONSUMER PRODUCTS									
3,000	Philip Morris Intl Inc.	34.15	102,450	81.45	244,350	1.4	4.000	12,000	4.9
3,500	Procter & Gamble	54.94	192,276	91.09	318,815	1.9	2.574	9,010	2.8
			294,726		563,165	3.3		21,010	3.7
BANKING AND FINANCE									
3,000	American Express	32.05	96,157	93.04	279,120	1.6	1.040	3,120	1.1
4,000	Bank New York Inc Com	34.38	137,505	40.57	162,280	0.9	0.680	2,720	1.7
4,000	Northern Trust Co.	49.97	199,889	67.40	269,600	1.6	1.320	5,280	2.0
			433,551		711,000	4.1		11,120	1.6
DISTRIBUTION AND SERVICES									
6,000	Sysco Corp	23.03	138,198	39.69	238,140	1.4	1.200	7,200	3.0
			138,198		238,140	1.4		7,200	3.0
NATURAL RESOURCES									
4,500	Potash Corp.	33.81	152,152	35.32	158,940	0.9	1.520	6,840	4.3
			152,152		158,940	0.9		6,840	4.3
TRANSPORTATION									
2,100	United Parcel Service	66.32	139,281	111.17	233,457	1.4	2.680	5,628	2.4
			139,281		233,457	1.4		5,628	2.4
SERVICES									
3,000	Accenture Ltd Cl A	26.14	78,406	89.31	267,930	1.6	2.040	6,120	2.3

MODESTUS BAUER FOUNDATION
990-PF- 2014, 36-4473692
SCHEDULE OF INVESTMENTS AS OF 12/31/14
PART II, COLUMNS (b) AND (c)
PAGE 2 OF 7

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2014

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
2,000	Omnicom Group Inc.	66.33	132,654	77.47	154,940	0.9	0.800	1,600	1.0
			211,060		422,870	2.5		7,720	1.8
RETAIL									
5,000	Lowes Companies Inc.	19.99	99,947	68.80	344,000	2.0	0.920	4,600	1.3
4,000	Wal-Mart Stores Inc	49.62	198,467	85.88	343,520	2.0	1.920	7,680	2.2
			298,414		687,520	4.0		12,280	1.8
ENTERTAINMENT									
4,000	Walt Disney Company	22.42	89,663	94.19	376,760	2.2	1.150	4,600	1.2
			89,663		376,760	2.2		4,600	1.2
TECHNOLOGY									
9,000	Intel	22.15	199,359	36.29	326,610	1.9	0.960	8,640	2.6
9,000	Microsoft Corporation	19.00	170,982	46.45	418,050	2.4	1.240	11,160	2.7
6,000	Oracle Corp.	22.75	136,497	44.97	269,820	1.6	0.480	2,880	1.1
2,000	Qualcomm Inc	69.02	138,038	74.33	148,660	0.9	1.680	3,360	2.3
			644,876		1,163,140	6.8		26,040	2.2
FOOD AND BEVERAGE									
6,600	Coca Cola	21.36	140,996	42.22	278,652	1.6	1.220	8,052	2.9
6,000	Nestle S.A. Registered Voting ADR	20.58	123,472	73.42	440,496	2.6	2.027	12,164	2.8
3,000	Pepsico	41.00	123,009	94.56	283,680	1.7	2.620	7,860	2.8
			387,477		1,002,828	5.9		28,076	2.8
	COMMON STOCK Total		4,794,604		8,757,149	51.1		224,586	2.6
CONVERTIBLE PREFERRED									
3,000	United Technologies Mand. CV Pfd. 8/1/15	53.95	161,836	61.33	183,990	1.1	3.750	11,250	6.1
			161,836		183,990	1.1		11,250	6.1

MODESTUS BAUER FOUNDATION
990-PF- 2014, 36-4473692
SCHEDULE OF INVESTMENTS AS OF 12/31/14
PART II, COLUMNS (b) AND (c)
PAGE 3 OF 7

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2014

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
HEDGE FUNDS (UNSUPERVISED)									
55,036	Abrams Capital Partners I, LP (9/30/14)		2,591,742		2,458,424	15.1			
			2,591,742		2,458,424	15.1			
UNSUPERVISED MUTUAL FUNDS									
10,202.616	Artisan Funds International	14.33	146,251	29.96	305,670	1.8	0.228	2,330	0.8
12,376.706	Tweedy Browne Global Value Fund	15.89	196,622	26.04	322,289	1.9	0.330	4,084	1.3
6,285.138	Wasatch Core Growth Fund	26.63	167,382	57.29	360,076	2.1	0.000	0	0.0
			510,255		988,035	5.8		6,415	0.6
UNSUPERVISED EQUITIES AND ETF'S									
3,000	IShares Tr Russell 2000 Value	46.44	139,334	101.68	305,040	1.8	1.914	5,741	1.9
			139,334		305,040	1.8		5,741	1.9
CORPORATE BONDS									
150,000	Wrigley Wm Jr Co 4.650% Due 07-15-15	102.11	153,172	102.04	153,063	0.9	4.650	6,975	4.6
125,000	John Hancock Life Ins Corp. NC 5.450% Due 10-15-15	102.60	128,256	102.71	128,390	0.7	5.450	6,812	5.3
150,000	AT&T Inc. 2.400% Due 08-15-16	102.10	153,144	102.02	153,034	0.9	2.400	3,600	2.4
150,000	Berkshire Hathaway Inc. 1.900% Due 01-31-17	101.85	152,778	101.44	152,164	0.9	1.900	2,850	1.9
175,000	National Oilwell Varco 1.350% Due 12-01-17	100.14	175,239	98.72	172,753	1.0	1.350	2,362	1.4
150,000	Coca Cola Co. 3.150% Due 11-15-20	104.81	157,218	104.54	156,816	0.9	3.150	4,725	3.0

MODESTUS BAUER FOUNDATION
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PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2014

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
			919,806		<u>916,220</u>	0.0		27,325	3.0
TAXABLE MUNICIPAL BONDS									
150,000	Ohio St Infrastructure Rev BAB NC 3.000% Due 06-15-15	100.00	150,002	101.13	151,692	0.9	3.000	4,500	3.0
150,000	Washington St GO NC 3.400% Due 08-01-16	101.14	151,706	104.24	156,358	0.9	3.400	5,100	3.3
100,000	Durham, NC GO NC 2.720% Due 10-01-17	104.10	104,099	103.18	103,176	0.6	2.720	2,720	2.6
100,000	Oregon St GO 5.420% Due 08-01-18	113.20	113,196	112.07	112,074	0.7	5.420	5,420	4.8
100,000	Forsyth County, GA NC 1.740% Due 03-01-19	99.90	99,899	100.00	99,999	0.6	1.740	1,740	1.7
100,000	University of Alabama Rev CA 7/1/16 @ 100	106.90	106,897	106.26	106,263	0.6	5.650	5,650	5.3
190,000	5.650% Due 07-01-19 Columbia, MO Sewer Rev BAB CA 10/1/19 @ 100 5.440% Due 10-01-26	113.11	214,909	113.71	216,051	1.3	5.440	10,336	4.8
			940,708		<u>945,613</u>	5.6		35,466	3.8

GOVERNMENT BONDS/GOVERNMENT AGENCY									
100,000	Federal Home Loan Banks Step-up CA 1/23/15 @ 100	100.02	100,018	99.91	99,914	0.6	1.250	1,250	1.3
200,000	1.250% Due 07-23-19 Federal Home Loan Mortgage CA 12/24/14 @ 100 Step-Up 1.125% Due 06-24-24	100.01	200,019	100.06	200,124	1.2	1.125	2,250	1.1

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PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2014

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
TREASURY SECURITIES INDEXED FOR INFLATION									
600,000	US Treasury Inflation Index	105.81	634,841	118.65	711,920	4.2	1.625	9,750	1.4
	1.625% Due 01-15-18								
			300,037		300,038	0.0		3,500	1.2
						1.8			
			634,841		711,920	0.0		9,750	1.4
						4.2			
BOND MUTUAL FUNDS (OPEN END)									
43,991.450	Vanguard High Yield Bond Fund - Admiral	5.68	250,075	5.97	262,629	1.5	0.343	15,083	5.7
113,209.103	Virtus Multi-Sector ST Bond Fund	4.86	550,100	4.76	538,875	3.1	0.167	18,915	3.5
			800,175		801,504	4.7		33,998	4.2
BOND MUTUAL FUNDS (CLOSED END) & ETF's									
4,000	Pimco 0-5 Year High Yield Corp Bond Fund	104.26	417,035	100.83	403,320	2.4	4.486	17,944	4.4
			417,035		403,320	2.4		17,944	4.4
FNMA									
866.7877	FNMA 15 Yr P/T Pool #576386	99.84	865	103.12	894	0.0	6.000	52	5.8
	6.000% Due 05-01-16								
914.9250	FNMA 15 Yr P/T Pool #589180	100.56	920	102.47	937	0.0	6.500	59	6.3
	6.500% Due 06-01-16								
582.6202	FNMA P/T Pool #53915	101.09	589	114.16	665	0.0	7.000	41	6.1
	7.000% Due 04-01-31								
352.6591	FNMA P/T Pool #577462	99.79	352	104.25	368	0.0	6.500	23	6.2
	6.500% Due 04-01-31								

Lodestar Investment Counsel, LLC
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Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
			<u>2,726</u>		<u>2,864</u>	<u>0.0</u>		<u>175</u>	<u>6.1</u>
FHLMC									
2,246.0700	FHLMC 30 Yr. Gold Pool #C28944	98.59	2,214	104.03	2,337	0.0	7.000	157	6.7
	7.000% Due 07-01-29								
			<u>2,214</u>		<u>2,337</u>	<u>0.0</u>		<u>157</u>	<u>6.7</u>
TOTAL PORTFOLIO			12,347,415		16,908,555	100.0		376,326	2.2

Reporting Period: 01/01/2014 to 12/31/2014

Proceeds	Cost Basis	Total Gain/Loss	Long Term Gain/Loss	Short Term Gain/Loss
\$2,628,872.97	\$2,230,906.54	+\$397,966.43 (17.48%)	+\$453,887.45 (23.53%)	-\$55,921.02 (-16.09%)

Symbol	Name (Full Short)	Closed Date	Quantity	Proceeds	Cost Basis	Gain/Loss (\$ %)		
						Total	Long Term	Short Term
ARTIX	ARTISAN INTL FUND INV	12/01/2014	1,610 306	\$50,000 00	\$23,822 43 E	+\$26,177 57	+\$26,177 57	
283734MB4	CITY OF EL PASO 3 61XXX	08/15/2014	100,000	\$100,000 00	\$100,000 00	\$0 00	\$0 00	
KO	COCA COLA COMPANY	12/01/2014	1,000	\$44,370 02	\$22,140 55	+\$22,229 47	+\$22,229 47	
216129EJ1	COOK CNTY IL CCD 0 99XXX	12/01/2014	100,000	\$100,000 00	\$100,000 00	\$0 00	\$0 00	
DIS	DISNEY WALT CO	12/01/2014	1,000	\$92,570 95	\$22,552 47 E	+\$70,018 48	+\$70,018 48	
263493RJ9	DUPAGE CNTYCMNTY 4 4XXX	10/01/2014	150,000	\$150,000 00	\$150,000 00	\$0 00	\$0 00	
ESV	ENSCO PLC CLASS A F CLASS A	12/09/2014	2,500	\$74,300 86	\$129,949 50	-\$55,648 64		-\$55,648 64
XOM	EXXON MOBIL CORPORATION	06/06/2014	1,000	\$100,652 77	\$35,523 78 E	+\$65,128 99	+\$65,128 99	
XOM	EXXON MOBIL CORPORATION	08/05/2014	1,000	\$98,918 81	\$35,230 00 E	+\$63,688 81	+\$63,688 81	
3134G4HM3	FILMC 1 25XXX **CALLED**	04/30/2014	200,000	\$200,000 00	\$200,894 92	-\$894 92		-\$894 92
IWN	ISHARES TR RUSSELL 2000	12/01/2014	500	\$49,617 40	\$23,222 40	+\$26,395 00	+\$26,395 00	
KMP	KINDER MORGAN ENERGY LP	04/08/2014	1,000	\$75,768 62	\$48,010 00	+\$27,758 62	+\$27,758 62	

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KMP	KINDER MORGAN ENERGY LP	08/25/2014	2,000	\$192,770 34	\$96,020 00	+\$96,750 34	+\$96,750 34
KSS	KOHL'S CORP	02/06/2014	3,000	\$154,570 81	\$163 468 20	-\$8,897 39	-\$8,897 39
LOW	LOWES COMPANIES INC	08/05/2014	2,000	\$96,080 47	\$39,978 80	+\$56,101 67	+\$56,101 67
MSFT	MICROSOFT CORP	12/01/2014	1,000	\$47,889.94	\$26,090 00	+\$21,799 94	+\$21,799 94
605580680	MISSISSIPPI ST 1 745XXX	11/01/2014	150,000	\$150,000 00	\$150,000 00	\$0 00	\$0 00
777543SJ9	ROSEMONT IL 2 375XXX **M	12/01/2014	100,000	\$100,000 00	\$100,000 00	\$0 00	\$0 00
839822NK5	SPECIAL SD # 6 3 25XXX *	02/01/2014	100,000	\$100,000 00	\$100,000 00	\$0 00	\$0 00
842587CE5	THE SOUTHERN COM 4 15%14	05/15/2014	150,000	\$150,000 00	\$150,000 00	\$0 00	\$0 00
TBGVX	TWEEDY BROWNE GLOBAL VAL	12/01/2014	1,833 332	\$50,000 00	\$43,922 30	+\$6,077 70	+\$5,771 96 +\$305 74
VZ	VERIZON COMMUNICATIONS	02/24/2014	0 2074	\$9 59	\$9 98	-\$0 39	-\$0 39
VOD	VODAFONE GROUP NEW ADR F	02/25/2014	0 3637	\$14 85	\$18 28	-\$3 43	-\$3 43
VOD	VODAFONE GROUP NEW ADR F	10/10/2014	4,036	\$125,333 60	\$195,593 76	-\$70,260 16	-\$70,260 16
WGROX	WASATCH CORE GROWTH FD INV	12/01/2014	1,724 733	\$100,000 00	\$48,967 00	+\$51,033 00	+\$50,715 81 +\$317 19
98385XAD8	XTO ENERGY INC 4 9XXX *	02/01/2014	150,000	\$150,000 00	\$150,000 00	\$0 00	\$0 00
98458PAB1	YALE UNIVERSITY 2 9XXX *	04/15/2014	75,000	\$76,003 94	\$75,492 17	+\$511 77	+\$511 77

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