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 ,

Name of foundation: The Charlesmead Foundation

A Employer identification number: 52-1550204

Number and street (or P O box number if mail is not delivered to street address): c/o Exeter Capital 2330 West Joppa Rd — Room/suite: 165

B Telephone number (see instructions): (401) 262-4600

City or town, state or province, country, and ZIP or foreign postal code: Lutherville Timonium MD 21093

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, column (c), line 16)* ► $ 20,645,568.

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 | | (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 | Ck ► ☒ if the foundn is not required to attach Sch B | | | | |
| | 3 | Interest on savings and temporary cash investments | | | | |
| | 4 | Dividends and interest from securities | 478,504. | 478,504. | | |
| | 5a | Gross rents | | | | |
| | b | Net rental income or (loss) | | | | |
| | 6a | Net gain or (loss) from sale of assets not on line 10 | 1,680,345. | L-6a Stmt | | |
| | b | Gross sales price for all assets on line 6a 6,053,334. | | | | |
| | 7 | Capital gain net income (from Part IV, line 2) | | 1,680,345. | | |
| | 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) See Line 11 Stmt | 757,059. | 831,294. | | |
| | 12 | **Total.** Add lines 1 through 11 | 2,915,908. | 2,990,143. | | |
| OPERATING AND ADMINISTRATIVE EXPENSES | 13 | Compensation of officers, directors, trustees, etc | | | | |
| | 14 | Other employee salaries and wages | | | | |
| | 15 | Pension plans, employee benefits | | | | |
| | 16a | Legal fees (attach schedule) | | | | |
| | b | Accounting fees (attach sch) L-16b Stmt | 6,000. | 6,000. | | |
| | c | Other prof fees (attach sch) L-16c Stmt | 275,971. | 200,971. | | 35,000. |
| | 17 | Interest | | | | |
| | 18 | Taxes (attach schedule)(see instrs) 990PF | 10,000. | | | |
| | 19 | Depreciation (attach sch) and depletion | | | | |
| | 20 | Occupancy | | | | |
| | 21 | Travel, conferences, and meetings | | | | |
| | 22 | Printing and publications | | | | |
| | 23 | Other expenses (attach schedule) See Line 23 Stmt | 125,754. | 90,279. | | 3,683. |
| | 24 | **Total operating and administrative expenses** Add lines 13 through 23 | 417,725. | 297,250. | | 38,683. |
| | 25 | Contributions, gifts, grants paid | 1,167,433. | | | 1,167,433. |
| | 26 | **Total expenses and disbursements.** Add lines 24 and 25 | 1,585,158. | 297,250. | | 1,206,116. |
| | 27 | Subtract line 26 from line 12 | | | | |
| | a | **Excess of revenue over expenses and disbursements** | 1,330,750. | | | |
| | b | **Net investment income** (if negative, enter -0-) | | 2,692,893. | | |
| | 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 (a) Book Value | End of year (b) Book Value | End of year (c) Fair Market Value |
|---|---|---|---|---|
| 1 | Cash — non-interest-bearing | | | |
| 2 | Savings and temporary cash investments | 379,187. | 1,195,269. | 1,195,269. |
| 3 | Accounts receivable ► | | | |
| | Less: allowance for doubtful accounts ► | 1,450. | | |
| 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 sch) ► | | | |
| | Less. allowance for doubtful accounts ► | | | |
| 8 | Inventories for sale or use | | | |
| 9 | Prepaid expenses and deferred charges | | | |
| 10a | Investments — U.S and state government obligations (attach schedule) | | | |
| b | Investments — corporate stock (attach schedule) L-10b. Stmt | 8,592,867. | 11,223,694. | 13,524,098. |
| c | Investments — corporate bonds (attach schedule) | | | |
| 11 | Investments — land, buildings, and equipment: basis ► | | | |
| | Less accumulated depreciation (attach schedule) ► | | | |
| 12 | Investments — mortgage loans | | | |
| 13 | Investments — other (attach schedule) L-13 Stmt | 5,488,360. | 3,507,165. | 5,616,201. |
| 14 | Land, buildings, and equipment: basis ► | | | |
| | Less accumulated depreciation (attach schedule) ► | | | |
| 15 | Other assets (describe ► L-15 Stmt ) | 443,514. | 310,000. | 310,000. |
| 16 | **Total assets** (to be completed by all filers — see the instructions. Also, see page 1, item I) | 14,905,378. | 16,236,128. | 20,645,568. |
| 17 | Accounts payable and accrued expenses | | | |
| 18 | Grants payable | | | |
| 19 | Deferred revenue | | | |
| 20 | Loans from officers, directors, trustees, & other disqualified persons | | | |
| 21 | Mortgages and other notes payable (attach schedule) | | | |
| 22 | Other liabilities (describe ► ) | | | |
| 23 | **Total liabilities** (add lines 17 through 22) | | | |
| | **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 ► X and complete lines 27 through 31.** | | | |
| 27 | Capital stock, trust principal, or current funds | 26,488. | 26,488. | |
| 28 | Paid-in or capital surplus, or land, bldg, and equipment fund | 8,335,012. | 8,335,012. | |
| 29 | Retained earnings, accumulated income, endowment, or other funds | 6,543,878. | 7,874,628. | |
| 30 | **Total net assets or fund balances** (see instructions) | 14,905,378. | 16,236,128. | |
| 31 | **Total liabilities and net assets/fund balances** (see instructions) | 14,905,378. | 16,236,128. | |

(Side labels: ASSETS, lines 1–16; LIABILITIES, lines 17–23; NET ASSETS OR FUND BALANCES, lines 24–31)

## 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 | 14,905,378. |
| 2 | Enter amount from Part I, line 27a | 2 | 1,330,750. |
| 3 | Other increases not included in line 2 (itemize) ► | 3 | |
| 4 | Add lines 1, 2, and 3 | 4 | 16,236,128. |
| 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 | 16,236,128. |

## 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 shares MLC Company) | (b) How acquired P — Purchase D — Donation | (c) Date acquired (month, day, year) | (d) Date sold (month, day, year) |
|---|---|---|---|---|
| 1a | Publically Traded Securities | | | |
| b | Thirteen Partners LP | P | 12/28/05 | 01/23/14 |
| 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 | 3,655,038. | | 2,872,989. | 782,049. |
| b | 2,398,296. | | 1,500,000. | 898,296. |
| c | | | | |
| d | | | | |
| e | | | | |

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

| | (i) Fair Market Value as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of column (i) over column (j), if any | (l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h)) |
|---|---|---|---|---|
| a | | | | 782,049. |
| b | | | | 898,296. |
| 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 | 1,680,345. |
| 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.

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 (column (b) divided by column (c)) |
|---|---|---|---|
| 2013 | 1,210,444. | 19,370,619. | 0.062489 |
| 2012 | 230,857. | 18,175,904. | 0.012701 |
| 2011 | 1,025,139. | 17,532,254. | 0.058472 |
| 2010 | 754,869. | 16,716,119. | 0.045158 |
| 2009 | 711,401. | 15,286,195. | 0.046539 |

| | | | |
|---|---|---|---|
| 2 | Total of line 1, column (d) | 2 | 0.225359 |
| 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 | 0.045072 |
| 4 | Enter the net value of noncharitable-use assets for 2014 from Part X, line 5 | 4 | 20,533,607. |
| 5 | Multiply line 4 by line 3 | 5 | 925,491. |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 26,929. |
| 7 | Add lines 5 and 6 | 7 | 952,420. |
| 8 | Enter qualifying distributions from Part XII, line 4 | 8 | 1,206,116. |

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)

| | | | | |
|---|---|---|---|---|
| 1 a | 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 instrs) | | | |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► [X] and enter 1% of Part I, line 27b | | 1 | 26,929. |
| c | All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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 | 26,929. |
| 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 | 26,929. |
| 6 | Credits/Payments | | | |
| a | 2014 estimated tax pmts and 2013 overpayment credited to 2014 | 6a 13,996. | | |
| b | Exempt foreign organizations — tax withheld at source | 6b | | |
| c | Tax paid with application for extension of time to file (Form 8868) | 6c 15,000. | | |
| d | Backup withholding erroneously withheld | 6d | | |
| 7 | Total credits and payments Add lines 6a through 6d | | 7 | 28,996. |
| 8 | Enter any **penalty** for underpayment of estimated tax Check here [ ] if Form 2220 is attached | | 8 | |
| 9 | **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ► | | 9 | |
| 10 | **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ► | | 10 | 2,067. |
| 11 | Enter the amount of line 10 to be **Credited to 2015 estimated tax** ► 2,067. | **Refunded** ► | 11 | |

## Part VII-A Statements Regarding Activities

| | | | Yes | No |
|---|---|---|---|---|
| 1 a | 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 | | X |
| b | Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? | 1b | | X |
| | *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 | | X |
| d | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ► $ ______ **(2)** On foundation managers ► $ ______ | | | |
| e | Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ ______ | | | |
| 2 | Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities* | 2 | | X |
| 3 | Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If 'Yes,' attach a conformed copy of the changes* | 3 | | X |
| 4 a | Did the foundation have unrelated business gross income of $1,000 or more during the year? | 4a | X | |
| b | If 'Yes,' has it filed a tax return on **Form 990-T** for this year? | 4b | X | |
| 5 | Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T* | 5 | | X |
| 6 | Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 6 | X | |
| 7 | Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV* | 7 | X | |
| 8 a | Enter the states to which the foundation reports or with which it is registered (see instructions) ► MD - Maryland | | | |
| 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 | X | |
| 9 | Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV* | 9 | | X |
| 10 | Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses* | 10 | | X |

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

| | | Line | 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 | | X |
| 12 | Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions) | 12 | | X |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? | 13 | X | |

Website address ► N/A

14 The books are in care of ► Matheys Lane Capital Management L.P. Telephone no. ► (401) 262-4600

Located at ► One West Exchange Street 4th Floor Providence, RI ZIP + 4 ► 02903

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

| | | Line | 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 | | X |
| | 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.**

| | | | Line | Yes | No |
|---|---|---|---|---|---|
| 1 a | 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)? | | 1 b | | |
| | 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? | | 1 c | | X |
| 2 | Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)). | | | | |
| a | At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__ . | ☐ Yes ☒ No | | | |
| 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 ) | | 2 b | | |
| 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__ | | | | |
| 3 a | 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.)* | | 3 b | | |
| 4 a | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | | 4 a | | X |
| b | Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014? | | 4 b | | X |

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 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? **6b** No: X

*If 'Yes' to 6b, file Form 8870*

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? **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 |
|---|---|---|---|---|
| Anthony W. Deering<br>7765 Fisher Island Drive<br>Fisher Island FL 33109 | Chairman<br>2.00 | 0. | 0. | 0. |
| Kathryn Deering<br>7765 Fisher Island Drive<br>Fisher Island FL 33109 | President<br>2.00 | 0. | 0. | 0. |
| John Warren<br>2106 South Road<br>Baltimore MD 21209 | Trustee<br>1.00 | 0. | 0. | 0. |
| See Information about Officers, Directors, Trustees, Etc. | | 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 ► None

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

**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'**

| (a) Name and address of each person paid more than $50,000 | (b) Type of service | (c) Compensation |
|---|---|---|
| Matheys Lane Capital Management LP<br>One West Exchange St. 4th Floor<br>Providence RI 02903 | Investment Advisor<br>Administrative services<br>incl charitable grants | 225,000. |
| | | |
| | | |
| | | |
| | | |
| **Total** number of others receiving over $50,000 for professional services ► | | none |

## Part IX-A Summary of Direct Charitable Activities

| List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc | Expenses |
|---|---|
| 1 | |
| 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 | |
| 2 | |
| All other program-related investments See instructions.<br>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 | 12,833,447. |
| b | Average of monthly cash balances | 1b | 1,695,205. |
| c | Fair market value of all other assets (see instructions) | 1c | 6,317,650. |
| d | **Total** (add lines 1a, b, and c) | 1d | 20,846,302. |
| 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 | 20,846,302. |
| 4 | Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions) | 4 | 312,695. |
| 5 | **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4 | 5 | 20,533,607. |
| 6 | **Minimum investment return.** Enter 5% of line 5 | 6 | 1,026,680. |

## 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 | 1,026,680. |
| 2a | Tax on investment income for 2014 from Part VI, line 5 | 2a | 26,929. | | |
| b | Income tax for 2014 (This does not include the tax from Part VI ) | 2b | | | |
| c | Add lines 2a and 2b | | | 2c | 26,929. |
| 3 | Distributable amount before adjustments Subtract line 2c from line 1 | | | 3 | 999,751. |
| 4 | Recoveries of amounts treated as qualifying distributions | | | 4 | |
| 5 | Add lines 3 and 4 | | | 5 | 999,751. |
| 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 | 999,751. |

## 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 | 1,206,116. |
| 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 | 1,206,116. |
| 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 | 26,929. |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 1,179,187. |

**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 | | | | 999,751. |
| **2** Undistributed income, if any, as of the end of 2014 | | | | |
| **a** Enter amount for 2013 only | | | 0. | |
| **b** Total for prior years 20 __, 20 __, 20 __ | | | | |
| **3** Excess distributions carryover, if any, to 2014 | | | | |
| **a** From 2009 — 0. | | | | |
| **b** From 2010 — 0. | | | | |
| **c** From 2011 — 170,632. | | | | |
| **d** From 2012 — 0. | | | | |
| **e** From 2013 — 259,189. | | | | |
| **f Total** of lines 3a through e | 429,821. | | | |
| **4** Qualifying distributions for 2014 from Part XII, line 4: ▶ $ 1,206,116. | | | | |
| **a** Applied to 2013, but not more than line 2a | | | | |
| **b** Applied to undistributed income of prior years (Election required — see instructions) | | | | |
| **c** Treated as distributions out of corpus (Election required — see instructions) | | | | |
| **d** Applied to 2014 distributable amount | | | | 999,751. |
| **e** Remaining amount distributed out of corpus | 206,365. | | | |
| **5** Excess distributions carryover applied to 2014 *(If an amount appears in column (d), the same amount must be shown in column (a).)* | | | | |
| **6 Enter the net total of each column as indicated below:** | | | | |
| **a** Corpus Add lines 3f, 4c, and 4e Subtract line 5 | 636,186. | | | |
| **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 | | | | |
| **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) | | | | |
| **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 | 636,186. | | | |
| **10** Analysis of line 9 | | | | |
| **a** Excess from 2010 — 0. | | | | |
| **b** Excess from 2011 — 170,632. | | | | |
| **c** Excess from 2012 — 0. | | | | |
| **d** Excess from 2013 — 259,189. | | | | |
| **e** Excess from 2014 — 206,365. | | | | |

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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 | | | |
|---|---|---|---|---|---|
| | (a) 2014 | (b) 2013 | (c) 2012 | (d) 2011 | (e) Total |
| 2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | | | | | |
| 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).)

Anthony W Deering
Kathryn Deering

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.

Anthony W Deering
Kathryn Deering

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

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

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

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

c Any submission deadlines:

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

**Part XV Supplementary Information** (continued)

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

| Recipient<br>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* | | | | |
| Schedule attached<br>MD 21202 | | Public | see attached | 1,167,433. |
| **Total** . . . . . . . . ► **3a** | | | | 1,167,433. |
| **b** *Approved for future payment* | | | | |
| **Total** . . . . . . . . ► **3b** | | | | |

## Part XVI-A Analysis of Income-Producing Activities

| Enter gross amounts unless otherwise indicated. | Unrelated business income (a) Business code | Unrelated business income (b) Amount | Excluded by section 512, 513, or 514 (c) Exclusion code | Excluded by section 512, 513, or 514 (d) Amount | (e) Related or exempt function income (See instructions.) |
|---|---|---|---|---|---|
| 1 Program service revenue | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| f | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments | | | | | |
| 3 Interest on savings and temporary cash investments | | | | | |
| 4 Dividends and interest from securities | | | 14 | 478,504. | |
| 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 | | | 14 | 1,680,345. | |
| 9 Net income or (loss) from special events | | | | | |
| 10 Gross profit or (loss) from sales of inventory | | | | | |
| 11 Other revenue: | | | | | |
| a Chesapeake Investments III LP | 531190 | -75,558. | 14 | 33,635. | |
| b Matheys Lane Berkshire LLC | 531190 | -3,785. | 14 | 411,679. | |
| c Rex Adv Copley LLC | | | 14 | 57,298. | |
| d Matheys Lane K VIII LLC | 531356 | -13,713. | 14 | 16,069. | |
| e See Other Revenue Stmt | | 18,821. | | 312,613. | |
| 12 Subtotal. Add columns (b), (d), and (e) | | -74,235. | | 2,990,143. | |

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 2,915,908.

(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 ) |
|---|---|
| | |

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

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

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

2 a 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

Signature of officer or trustee | Date 10/8/15 | Title Exec Director

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 |
|---|---|---|---|---|
| Joseph F Cavagna | | 10/08/15 | | P00210451 |

Firm's name ► Joseph F. Cavagna, CPA — Firm's EIN ►

Firm's address ► 3902 Dance Mill Rd, Phoenix MD 211312116 — Phone no (410) 592-2823

THE CHARLESMEAD FOUNDATION

| Organization | Paid in 2014 | Notes | Contact Info Verification |
|---|---|---|---|
| ACLU Foundation of PA (Maron 2012-2014) | $ 4,000 | Unrestricted | Philadelphia, PA 19106 |
| American Cancer Society (2009-2014) | $ 1,000 | Unrestricted | Philadelphia, PA 19103 |
| American Diabetes Association - Balt (Jack 2014) | $ 1,000 | Unrestricted | Baltimore, MD 21211 |
| American Visionary Art Museum (2001-2014) | $ 2,500 | Annual Fund | Baltimore, MD 21230 |
| Arts Education in MD Schools Alliance (AEMS) (2006-2014) | $ 2,500 | Annual Fund | Baltimore, MD 21230 |
| Arts Every Day (2014) | $ 1,000 | Operating Support | Baltimore, MD 21201 |
| Assoc of Balt. Area Grantmakers (ABAG) (2007-2014) | $ 5,250 | Annual Fund | Baltimore, MD 21202 |
| Attic Youth Center (Maron 2012-2014) | $ 8,000 | Unrestricted | Philadelphia, PA 19102 |
| Baltimore Community Foundation (2011-2015) | $ 500 | Unrestricted | Baltimore, MD 21202 |
| Baltimore Museum of Art (2011-2014) | $ 25,000 | Unrestricted | Baltimore, MD 21218 |
| Baltimore Museum of Art (2005-2014) | $ 20,000 | Annual Fund | Baltimore, MD 21218 |
| Baltimore Museum of Art (2005-2014) | $ 1,000 | Unrestricted | Baltimore, MD 21218 |
| Baltimore School for the Arts (Jack 2005-2014) | $ 12,000 | Unrestricted | Baltimore, MD 21201 |
| Baltimore Symphony Orchestra (Jack 2013-2014) | $ 3,000 | Unrestricted | Baltimore, MD 21201 |
| Bayside Family YMCA (Heather 2007-2013) | $ 5,000 | Unrestricted | Barrington RI 02806 |
| Buist Academy Foundation (Spencer 2005-2014) | $ 10,000 | Annual Fund | Charleston, SC 29401 |
| Cal Ripken, Sr. Foundation (2011-2016) | $ 25,000 | Health & Wellness Program | Baltimore, MD 21209 |
| Caves Valley Golf Club Foundation (2014-2015) | $ 4,600 | Scholarship Program | Owings Mills, MD 21117 |
| Center Stage (2014-2023) | $ 100,000 | Annual Support | Baltimore, MD 21202 |
| Center Stage (Jack 2009-2014) | $ 4,000 | Unrestricted | Baltimore, MD 21202 |
| Charleston Parks Conservancy (Spencer 2010-2014) | $ 5,000 | Unrestricted | Charleston, SC 29413 |
| Dartmouth College Fund (Heather 2014) | $ 10,000 | Centennial Fund | Hanover, NH 03755 |
| Dream Program (The) (Maron 2013-2014) | $ 4,000 | Unrestricted | Philadelphia, PA 19107 |
| Education & Hope (Heather 2005-2014) | $ 2,000 | Unrestricted | Norwalk, CT 06856 |
| Environment & Human Health (Maron 2005-2013) | $ 2,000 | Unrestricted | North Haven, CT 06473 |
| Everyman Theatre (2005-2014) | $ 2,500 | Operating Support | Baltimore, MD 21201 |
| Everyman Theatre (Jack 2009-2014) | $ 4,000 | Unrestricted | Baltimore, MD 21201 |
| Family Service of Rhode Island (Heather 2005-2014) | $ 5,000 | Unrestricted | Providence RI 02906 |
| Fight for Children (2013-2014) | $ 5,000 | Unrestricted | Washington, DC 20036 |
| Fractured Atlas (Zara Aina) (2014) | $ 1,000 | Unrestricted | New York, NY 10009 |
| Freestate Legal Project (2010-2014) | $ 10,000 | Unrestricted | Baltimore, MD 21201 |
| FreeState Legal Project (Maron 2010-2014) | $ 4,000 | Unrestricted | Baltimore, MD 21201 |
| Friends School of Baltimore (2006-2018) | $ 70,000 | Unrestricted | Baltimore, MD 21210 |
| Friends School of Baltimore (Heather 2006-2014) | $ 3,500 | Unrestricted | Baltimore, MD 21210 |
| Gaillard Performance Hall Foundation (2013-2016) | $ 2,500 | Unrestricted | Charleston, SC 29401 |
| Gaillard Performance Hall Foundation (Spencer 2012-2016) | $ 8,000 | Unrestricted | Charleston, SC 29402 |

THE CHARLESMEAD FOUNDATION

| Organization | | Paid in 2014 | Notes | Contact Info Verification |
|---|---|---|---|---|
| Hackerman Foundation (2014) | $ | 10,000 | Unrestricted | Towson, MD 21286 |
| HelpHOPELive (2014) | $ | 20,000 | Unrestricted | Radnor, PA 19087 |
| Institute for Christian and Jewish Studies (Jack 2014) | $ | 2,000 | Unrestricted | Baltimore, MD 21204 |
| Interstitial Cystitis Assoc (Jack 2005-2013) | $ | 1,000 | Unrestricted | McLean, VA 22102 |
| JHU Bayview Medical Center (2013-2014) | $ | 15,000 | Unrestricted | Baltimore, MD 21224 |
| JHU Bayview Medical Center (2013-2014) | $ | 10,000 | Unrestricted | Baltimore, MD 21224 |
| JHU Berman Institute of Bioethics (2014-2023) | $ | 100,000 | Unrestricted | Baltimore, MD 21205 |
| JHU Berman Institute of Bioethics (2006-2016) | $ | 200,000 | Unrestricted | Baltimore, MD 21205 |
| JHU Berman Institute of Bioethics (2003-2014) | $ | 45,000 | Annual Fund | Baltimore, MD 21205 |
| JHU Berman Institute of Bioethics (2014) | $ | 5,000 | Unrestricted | Baltimore, MD 21206 |
| JHU Peabody Institute (2013-2016) | $ | 25,000 | Unrestricted | Baltimore, MD 21202 |
| JHU President's Office (2014-2023) | $ | 50,000 | Unrestricted | Baltimore, MD 21218 |
| JHU President's Office (2005-2014) | $ | 10,000 | Annual Fund | Baltimore, MD 21218 |
| Johns Hopkins Medicine (2014-2023) | $ | 50,000 | Unrestricted | Baltimore, MD 21205 |
| Johns Hopkins Medicine (2005-2014) | $ | 10,000 | Annual Fund | Baltimore, MD 21218 |
| Joseph Richey Hospice (2007-2012) | $ | 5,000 | Unrestricted | Baltimore, MD 21201 |
| Kennedy Krieger Institute (2013-2017) | $ | 10,000 | Capital Campaign | Baltimore, MD 21205 |
| KIPP Ujima Academy (Heather 2006-2014) | $ | 3,500 | Unrestricted | Baltimore, MD 21209 |
| Lambda Legal (Maron 2005-2014) | $ | 6,250 | Unrestricted | or, New York, NY 10005 |
| Maryland Citizens for the Arts Foundation (2000-2014) | $ | 5,000 | Annual Fund | Baltimore, MD 21211 |
| Maryland Institute College of Art (2014) | $ | 7,500 | Unrestricted | Baltimore, MD 21217 |
| Menorah Park Foundation (2014) | $ | 500 | Unrestricted | Beachwood, OH 44122 |
| Mount Vernon Place Conservancy (MVPC) (2014) | $ | 2,000 | Washington Monument Restoration | Baltimore, MD 21231 |
| MUSC Children's Hospital Foundation (Spencer 2009-2014) | $ | 10,000 | Unrestricted | Charleston, SC 29425 |
| National MS Society (2008-2014) | $ | 500 | Unrestricted | Charlottesville, VA 22903 |
| Parks & People Foundation (2013-2014) | $ | 1,000 | Unrestricted | Baltimore, MD 21211 |
| Planned Parenthood Federation of America (Maron 2005-2014) | $ | 5,000 | Unrestricted | New York, NY 10001 |
| Providence Children's Museum (Heather 2010-2013) | $ | 1,000 | Unrestricted | Providence, RI 02903 |
| Quintessence Theatre (Maron 2012-2014) | $ | 2,750 | Unrestricted | Philadelphia, PA 19118 |
| Roger Williams Park Zoo (Heather 2010-2013) | $ | 1,000 | Unrestricted | Providence, RI 02907 |
| San Miguel School (Heather 2009-2014) | $ | 9,000 | Unrestricted | Providence, RI 02904 |
| SEED School of MD (2013-2014) | $ | 10,000 | Unrestricted | Baltimore, MD 21223 |
| Shriver Hall Concert Series (Jack 2005-2014) | $ | 12,000 | Unrestricted | Baltimore, MD 21218 |
| Single Carrot Theatre (2010-2014) | $ | 1,000 | Annual Support | Baltimore, MD 21203 |
| Special Operations Warrior Foundation (2014) | $ | 7,500 | Operating Support | Tampa, FL 33619 |
| Swim Across America (2011-2014) | $ | 2,500 | Unrestricted | Boston, MA 02110 |

THE CHARLESMEAD FOUNDATION

| Organization | | Paid in 2014 | Notes | Contact Info Verification |
|---|---|---|---|---|
| Teach for America Baltimore (Jack 2010-2013) | $ | 1,000 | Unrestricted | Baltimore, MD 21218 |
| Theatre Communications Group (2006-2014) | $ | 5,000 | Annual Fund | New York, NY 10018 |
| Towson University Foundation (2011/2014) | $ | 500 | Unrestricted | Towson, MD 21252 |
| UMB Foundation (2014) | $ | 1,000 | Scholarships | Baltimore, MD 21201 |
| UNC Arts & Sciences FDN (Spencer 2004-2014) | $ | 3,500 | Unrestricted | Chapel Hill, NC 27514 |
| UNC Chapel Hill - Men's Lacrosse (Spencer 2006-2014) | $ | 3,500 | Unrestricted | Chapel Hill, NC 27514-0309 |
| Wharton University of PA (Maron 2014) | $ | 4,000 | Unrestricted | Philadelphia, PA 19104 |
| Assoc of Balt Area Grantmakers (ABAG) (2014) | $ | 5,250 | Unrestricted | Baltimore, MD 21202 |
| Baltimore Community Foundation (2014) | $ | 1,000 | Unrestricted | Baltimore, MD 21202 |
| Baltimore Museum of Art (2014) | $ | 23,450 | Unrestricted | Baltimore, MD 21218 |
| Baltimore Next Generation (2014) | $ | 450 | Unrestricted | Baltimore, MD 21210 |
| Greater Balt Cultural Alliance (2014) | $ | 5,000 | Unrestricted | Baltimore, MD 21201 |
| Maryland Citizens for the Arts Foundation (2015) | $ | 5,000 | Annual Fund | Baltimore, MD 21211 |
| Perez Art Museum (2014) | $ | 10,000 | Unrestricted | Miami, FL 33132 |
| Sobeloff Law Society (The) (2014) | $ | 600 | Unrestricted | Rockville, MD 20849 |
| Big Brothers Big Sisters of the Greater Chesapeake (2014-2016) | $ | 10,000 | Mentoring Project | Baltimore, MD 21211 |
| KIPP Baltimore (2014-2016) | $ | 58,333 | Capital Campaign | Baltimore, MD 21209 |
| **TOTAL GRANTS** | $ | 1,167,433 | | |

| Form 990-PF Part I, Line 6a | Net Gain or Loss From Sale of Assets | 2014 |
|---|---|---|

Name: The Charlesmead Foundation

Employer Identification Number: 52-1550204

**Asset Information:**

Description of Property: Publically Traded Securities
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price: 3,655,038.
Cost or other basis (do not reduce by depreciation): 2,872,989.
Sales Expense:
Valuation Method:
Total Gain (Loss): 782,049.
Accumulation Depreciation:

Description of Property: Thirteen Partners LP
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price: 2,398,296.
Cost or other basis (do not reduce by depreciation): 1,500,000.
Sales Expense:
Valuation Method:
Total Gain (Loss): 898,296.
Accumulation Depreciation:

Description of Property:
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price:
Cost or other basis (do not reduce by depreciation):
Sales Expense:
Valuation Method:
Total Gain (Loss):
Accumulation Depreciation:

Description of Property:
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price:
Cost or other basis (do not reduce by depreciation):
Sales Expense:
Valuation Method:
Total Gain (Loss):
Accumulation Depreciation:

Description of Property:
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price:
Cost or other basis (do not reduce by depreciation):
Sales Expense:
Valuation Method:
Total Gain (Loss):
Accumulation Depreciation:

Description of Property:
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price:
Cost or other basis (do not reduce by depreciation):
Sales Expense:
Valuation Method:
Total Gain (Loss):
Accumulation Depreciation:

Description of Property:
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price:
Cost or other basis (do not reduce by depreciation):
Sales Expense:
Valuation Method:
Total Gain (Loss):
Accumulation Depreciation:

Description of Property:
Date Acquired:
How Acquired:
Date Sold:
Name of Buyer:
Sales Price:
Cost or other basis (do not reduce by depreciation):
Sales Expense:
Valuation Method:
Total Gain (Loss):
Accumulation Depreciation:

**Miscellaneous Statement**

| Management Services Company | | |
|---|---|---|
| Matheys Lane Capital Management L.P is the Foundation's investment advisor and provides all the necessary administrative services for managing it's investments and maintaining necessary records, including communications with recipients of charitable grants. Total fees paid to Matheys Lane in 2014 were $225,000. This fee is negotiated with the Chairman. Matheys Lane is a Family Office Management Services company and serves as investment advisor and provides administrative services for a number of clients including Charlesmead Foundation.Matheys Lane is owned by Heather D. Crosby who serves as a Trustee of the Foundation. She is not paid separately for her position as Trustee. Most of the services are performed by employees of Matheys Lane other than Heather Crosby. These services are other than those normally performed by officers or directors/trustees. Therefore, the outside tax preparer advised the Foundation to report the fee in Section VIII, line 3 rather than reporting it on line 1. | | |
| Total | | |

Form 990-PF, Page 1, Part I, Line 11
**Line 11 Stmt**

| Other income: | Rev/Exp Book | Net Inv Inc | Adj Net Inc |
|---|---|---|---|
| Chesapeake Inv III LP | -41,923. | 33,635. | |
| Matheys Lane Berkshire LLC | 407,894. | 411,679. | |
| Rex Adv Copley LLC | 57,298. | 57,298. | |
| Matheys Lane K VIII LLC | 2,356. | 16,069. | |
| Matheys Lane THL LLC | 86,929. | 86,929. | |
| Matheys Lane Nautic VI LLC | 63,856. | 41,923. | |
| Matheys Lane Copley X LLC | 160,478. | 160,478. | |
| AWD Caves Inv LLC | 17,853. | 19,025. | |
| CVP Towson Row | -1,938. | 2. | |
| Matheys Copley Asia II | 4,236. | 4,236. | |
| Matheys Nautic VII | 8. | 8. | |
| Matheys Copley XI | 7. | 7. | |
| Matheys CB VII | 5. | 5. | |
| Total | 757,059. | 831,294. | |

Form 990-PF, Page 1, Part I, Line 23
**Line 23 Stmt**

| Other expenses: | Rev/Exp Book | Net Inv Inc | Adj Net Inc | Charity Disb |
|---|---|---|---|---|
| Investment exp from partnerships | 118,386. | 86,594. | | |
| Insurance | 4,193. | 2,097. | | 2,096. |
| Miscellaneous | 2,175. | 1,088. | | 1,087. |
| Dues | 1,000. | 500. | | 500. |
| Total | 125,754. | 90,279. | | 3,683. |

Form 990-PF, Page 4, Part VII-A, Line 8a
**States** [redacted]

MD - Maryland
[redacted]

Form 990-PF, Page 6, Part VIII, Line 1
**Information about Officers, Directors, Trustees, Etc.**

| (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 |
|---|---|---|---|---|
| Person . . [X] Business . [ ]<br>Maron Deering<br>4042 Waverly Street<br>Philadelphia PA 19146 | Trustee<br>1.00 | 0. | 0. | 0. |
| Person . . [X] Business . [ ]<br>Spencer Deering<br>215 East Bay St. Apt 500L<br>Charleston SC 29401 | Trustee<br>1.00 | 0. | 0. | 0. |

Form 990-PF, Page 6, Part VIII, Line 1 Continued

**Information about Officers, Directors, Trustees, Etc.**

| (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 |
|---|---|---|---|---|
| Person . . [X] Business . [ ]<br>Heather D Crosby<br>46 South Meadow Lane<br>Barrington RI 02806 | Trustee<br>2.00 | 0. | 0. | 0. |
| Person . . [ ] Business [X]<br>Matheys Lane Capital Management LP<br>One West Exchange St<br>Providence RI 02903 | see statement | | 0. | 0. |
| Total | | 0. | 0. | 0. |

Form 990-PF, Page 12, Part XVI-A, Line 11

**Other Revenue Stmt**

| Other revenue: | Business code | Amount | Exclusion code | Amount | Related/exempt function income |
|---|---|---|---|---|---|
| Matheys Lane THL LLC | | | 14 | 86,929. | |
| Matheys Lane Nautic VI LLC | 531356 | 21,933. | 14 | 41,923. | |
| Matheys Lane Copley X LLC | | | 14 | 160,478. | |
| AWD Caves Inv LLC | 531356 | -1,172. | 14 | 19,025. | |
| CVP Towson Row | 531356 | -1,940. | 14 | 2. | |
| Matheys Lane Copley Asia II | | | 14 | 4,236. | |
| Matheys Lane Nautic VII | | | 14 | 8. | |
| Matheys Lane Copley XI | | | 14 | 7. | |
| Matheys Lane CB VII | | | 14 | 5. | |
| Totals | | 18,821. | | 312,613. | |

Form 990-PF, Page 1, Part I

**Line 16b - Accounting Fees**

| Name of Provider | Type of Service Provided | Amount Paid Per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---|---|---|---|---|---|
| Joseph F. Cavagna, CPA | Tax return preparation | 6,000. | 6,000. | | |
| Total | | 6,000. | 6,000. | | |

Form 990-PF, Page 1, Part I
**Line 16c - Other Professional Fees**

| Name of Provider | Type of Service Provided | Amount Paid Per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---|---|---|---|---|---|
| Matheys Lane Capital Advisory | Investment Mgt, Exec Director | 225,000. | 150,000. | | 35,000. |
| Miller Investment Management | Investment Mgt | 21,530. | 21,530. | | |
| Deutsche Bank | Custody fees | 14,625. | 14,625. | | |
| Brown Capital Management | Investment Mgt | 14,816. | 14,816. | | |
| Total | | 275,971. | 200,971. | | 35,000. |

Form 990-PF, Page 2, Part II, Line 10b
**L-10b Stmt**

| Line 10b - Investments - Corporate Stock: | End of Year Book Value | End of Year Fair Market Value |
|---|---|---|
| American Express 699 shares | 32,199. | 65,035. |
| Apple Inc. 595 shares | 45,191. | 65,676. |
| Ares Cap Corp 4970 shares | 79,906. | 74,748. |
| Bank Amer CorpvCom 1480 shares | 20,256. | 26,477. |
| Brixmor Ppty Group 2225 shs | 52,627. | 55,269. |
| CSX Corporation 2372 shares | 35,163. | 85,938. |
| Citigroup Inc Com 425 shares | 19,885. | 22,997. |
| Franklin Resources Inc 1253 shares | 34,441. | 69,379. |
| General Mills Inc 1017 shares | 29,690. | 54,237. |
| Google CL A Inc 145 shares | 78,048. | 76,946. |
| Google CL C 35 shs | 14,281. | 18,424. |
| Kellogg Co 615 shares | 28,594. | 40,246. |
| O Reilly Automotive Inc 170 shares | 21,795. | 32,745. |
| Pultegroup Inc 2565 shares | 47,587. | 55,045. |
| Starbucks Corp 900 shs | 69,639. | 73,845. |
| Time Inc New Com 137 shs | 1,345. | 3,372. |
| Time Warner Inc 1102 shares | 32,008. | 94,133. |
| US Silica Hldgs Inc 1580 shares | 67,435. | 40,590. |
| T Rowe Price Equity Income 6834.988 shares | 116,936. | 224,188. |
| T Rowe Price Institutiional 195522.844 shs | 2,011,910. | 1,961,094. |
| T Rowe Price Diversified Small Cap GR 641.309 shs | 16,699. | 16,405. |
| Ishares TR S&P 500 Gr 14542 shares | 963,302. | 1,622,887. |
| Ishares TR S&P 500 value ETF 6840 shares | 588,023. | 641,387. |
| Ishares TR MSCI EAFE Etf 67.485 shs | 87,730. | 79,092. |
| Ishares TR Core S&P Mid Cap 2565 shs | 219,875. | 371,412. |
| Ishares TR Russell 2000 Value 3550 shs | 344,960. | 360,964. |
| Ishares TR Russell 2000 ETF 6030 shs | 480,428. | 721,309. |
| SPDR S&P 500 Etf 635 shs | 128,160. | 130,518. |
| SPDR Index SHS FDS Euro 4250 shares | 148,412. | 156,655. |
| Artisan Mid Cap Value Fund 5481.784 shs | 161,000. | 164,235. |
| Columbia Acorn International Fund 5485.263 shs | 208,923. | 228,790. |
| Gotham Enhanced Return Fd 28616.71 shs | 363,030. | 365,435. |
| The Oakmark International Fund 11347.594 shares | 207,126. | 264,853. |
| Hennessy Small Cap Finc'l Fd 9548.81 shs | 117,654. | 122,034. |
| Ivy Mid Cap Growth Fund 9040.803 shs | 146,927. | 215,352. |
| Matthews Asia Div 12927.523 shs | 164,295. | 197,274. |

Form 990-PF, Page 2, Part II, Line 10b Continued
**L-10b Stmt**

| Line 10b - Investments - Corporate Stock: | End of Year Book Value | End of Year Fair Market Value |
|---|---|---|
| Matthews Asia Growth Fund 5025.469 shs | 106,842. | 106,490. |
| T Rowe Price Global Tech 15961.138 shs | 153,804. | 196,641. |
| Primecap Odyssey Stock Fund 8246.416 shs | 109,439. | 195,110. |
| Principal Equity Inc Fund 7500.793 shs | 121,600. | 200,271. |
| Royce Opportunity Fund 12167.752 shs | 112,567. | 163,778. |
| Third Avenue Focus Credit 3604439258.783 shs | 432,995. | 380,025. |
| Vanguard Equity Inc Fund Adm. 3680.979 shs | 203,050. | 240,773. |
| Vanguard Intermediate Term 26497.761 shs | 265,869. | 260,473. |
| Vanguard Short Term Inv 16761.092 shs | 355,899. | 353,808. |
| Ishares TR US Home Const ETF 10739 shs | 256,919. | 277,925. |
| SPDR S&P 500 ETF TR Unit 3176 shs | 568,573. | 652,795. |
| SPDR Ser TR S&P Ins ETF 1874 shs | 100,033. | 124,977. |
| Jazz Pharmaceuticals PLC SHS USD 294 shares | 28,724. | 48,137. |
| Michael Kors Hldgs LTD 676 shares | 47,160. | 50,768. |
| Apple Inc 1180 shares | 64,597. | 130,248. |
| Biogen Idec Inc 137 shs | 47,895. | 46,505. |
| Celgene Corp 1063 shares | 63,302. | 118,907. |
| Dicks Sporting Goods Inc 1171 shares | 45,260. | 58,140. |
| EMC Corp 2573 shares | 56,647. | 76,521. |
| FEI Company Common 633 shares | 48,577. | 57,192. |
| Gilead Sciences Inc 653 shares | 34,021. | 61,552. |
| Google Inc 188 shares | 86,859. | 99,764. |
| JP Morgan Chase & Co 1419 shares | 77,742. | 88,801. |
| Monsanto Co 428 shares | 42,402. | 51,133. |
| Morgan Stanley 1267 shs | 47,680. | 49,160. |
| Qualcomm Inc 920 shares | 60,860. | 68,384. |
| Quanta Svcs Inc 2133 shares | 53,011. | 60,556. |
| Schlumberger Ltd 758 shs | 82,039. | 64,741. |
| Shire PLC Spons 370 shares | 69,025. | 78,640. |
| Stifel Financial Corp 1312 shs | 62,809. | 66,938. |
| Tractor Supply Co 1397 shs | 87,863. | 110,112. |
| Trimble Nav LTD 2149 shs | 57,725. | 57,034. |
| Ulta Salon Cosmetics & Fragrance 460 shs | 40,668. | 58,806. |
| Visa Inc 267 shares | 45,758. | 70,007. |
| Total | 11,223,694. | 13,524,098. |

Form 990-PF, Page 2, Part II, Line 13
**L-13 Stmt**

| Line 13 - Investments - Other: | End of Year Book Value | End of Year Fair Market Value |
|---|---|---|
| CVP Towson Row | 126,333. | 129,547. |
| Chesapeake Investments III LP | 143,683. | 353,007. |
| Matheys Lane Berkshire Investors | 351,636. | 637,243. |
| Rex Adv Copley Investors | 155,811. | 132,852. |
| Matheys Lane THL Investors | 260,428. | 293,194. |
| AWD Caves Investors | 697,211. | 1,743,076. |

Form 990-PF, Page 2, Part II, Line 13 Continued
**L-13 Stmt**

| Line 13 - Investments - Other: | End of Year Book Value | Fair Market Value |
|---|---|---|
| Matheys Lane Copley X Investors | 958,343. | 1,157,647. |
| Mathleys Lane K VIII Investors | 198,023. | 362,199. |
| Matheys Lane Nautic VI Investors | 261,923. | 416,283. |
| Matheys Lane Copley Asia II | 252,495. | 286,884. |
| Matheys Lane Copley XI | 41,004. | 41,234. |
| Matheys Lane Nautic VII | 59,889. | 62,596. |
| Matheys Lane CB VIII | 386. | 439. |
| Total | 3,507,165. | 5,616,201. |

Form 990-PF, Page 2, Part II, Line 15
**Other Assets Stmt**

| Line 15 - Other Assets: | Beginning Year Book Value | End of Year Book Value | Fair Market Value |
|---|---|---|---|
| Program Related Loans | 443,514. | 310,000. | 310,000. |
| Total | 443,514. | 310,000. | 310,000. |