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

OMB No. 1545-0052

2015Department 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 2015 or tax year beginning

, 2015, 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) ▶ \$ 15,898,083	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	443,864	443,864		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	342,701			
	b Gross sales price for all assets on line 6a 2,600,047				
	7 Capital gain net income (from Part IV, line 2)		342,701		
	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	786,565	786,565			
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)	64,158	64,158		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	17,120	3,736		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	190	190		190
	24 Total operating and administrative expenses. Add lines 13 through 23	117,468	68,084		36,190
	25 Contributions, gifts, grants paid	865,000			865,000
26 Total expenses and disbursements. Add lines 24 and 25	982,468	68,084		901,190	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	(195,903)				
b Net investment income (if negative, enter -0-)		718,481			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1 Cash—non-interest-bearing		132,101	(31,548)	(31,548)	
	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)	1,880,526	1,412,630	1,490,029		
	b Investments—corporate stock (attach schedule)	5,606,029	5,861,975	9,820,715		
	c Investments—corporate bonds (attach schedule)	2,137,016	2,235,606	2,172,154		
	11 Investments—land, buildings, and equipment: basis ▶					
Less: accumulated depreciation (attach schedule) ▶						
12 Investments—mortgage loans						
13 Investments—other (attach schedule)	2,591,742	2,681,616	2,446,733			
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)	12,347,415	12,160,279	15,898,083			
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable (attach schedule)					
	22 Other liabilities (describe ▶)					
	23 Total liabilities (add lines 17 through 22)	0	0			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/>					
	24 Unrestricted					
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>					
	27 Capital stock, trust principal, or current funds	12,347,415	12,160,279			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds					
30 Total net assets or fund balances (see instructions)	12,347,415	12,160,279				
31 Total liabilities and net assets/fund balances (see instructions)	12,347,415	12,160,279				

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	12,347,415
2 Enter amount from Part I, line 27a	2	(195,903)
3 Other increases not included in line 2 (itemize) ▶ <u>Basis adjustment</u>	3	8,767
4 Add lines 1, 2, and 3	4	12,160,279
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	12,160,279

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	2015
c Abrams Capital Partners, LP		P	2002	2015
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 2,533,595		2,257,346	276,249
c 66,452		0	66,452
d			
e			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			276,249
c			66,452
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	342,701
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 (col. (b) divided by col. (c))
2014	940,603	16,911,360	.055620
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

2 Total of line 1, column (d)	2	.266221
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	.0532442
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	16,311,459
5 Multiply line 4 by line 3	5	868,491
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,185
7 Add lines 5 and 6	7	875,576
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	901,190

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		7,185
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		7,185
4	Subtle 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		7,185
6	Credits/Payments:			
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a		12,000
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		12,000
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		
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 2016 estimated tax 4,815 Refunded 11			

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1a			✓
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? 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.	1b	✓
c	Did the foundation file Form 1120-POL for this year?	1c	✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ _____ (2) On foundation managers. ► \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2	✓
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	✓
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	✓
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	N/A
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5	✓
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	✓
7	Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	✓
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	✓
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	✓
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	✓

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)		✓
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)		✓
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	✓	
14 The books are in care of ► <u>David Reich</u> Telephone no. ► <u>312-372-1947</u> Located at ► <u>300 S Wacker Drive, Suite 500, Chicago, IL</u> ZIP+4 ► <u>60606</u>		
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		<input type="checkbox"/>
16 At any time during calendar year 2015, 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. If "Yes," enter the name of the foreign country ►	15	✓

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)?	1b	✓
Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>		
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 2015?	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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? <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 2015 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 2015.)	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 2015?	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)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**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 Pl, Highland Park, IL 60035	Dir, Pres, 3 hrs	\$18,000	0	0
Linda N Lawrence 418 Briarwood Pl, Highland Park, IL 60035	Dir. asst Sec., .25 hrs	0	0	0
Lawrence A Reich 609 Crofton Ave S, Highland Park, IL 60035	Dir, VP, .75 hrs	\$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 ☐

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

Part IX-A Summary of Direct Charitable Activities

Expenses

1	NONE	
2		
3		
4		

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	16,559,856
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	16,559,856
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	16,559,856
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	248,398
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	16,311,459
6	Minimum investment return. Enter 5% of line 5	6	815,573

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	815,573
2a	Tax on investment income for 2015 from Part VI, line 5	2a	7,185
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	7,185
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	808,388
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	808,388
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	808,388

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	901,190
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	901,190
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	7,185
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	894,005

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				808,388
2 Undistributed income, if any, as of the end of 2015:				
a Enter amount for 2014 only			283,901	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2015:				
a From 2010	0			
b From 2011	0			
c From 2012	0			
d From 2013	0			
e From 2014	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 901,190				
a Applied to 2014, but not more than line 2a			283,901	
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 2015 distributable amount				617,289
e Remaining amount distributed out of corpus	0			0
5 Excess distributions carryover applied to 2015 (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 2014. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				191,099
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 2010 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2011	0			
b Excess from 2012	0			
c Excess from 2013	0			
d Excess from 2014	0			
e Excess from 2015	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 2015, 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)					
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year (a) 2015	Prior 3 years (b) 2014 (c) 2013 (d) 2012			(e) Total
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).)

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 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 <i>Paid during the year</i>				
See Attached Schedule		PC	Charitable	865,000
Total			3a	865,000
b <i>Approved for future payment</i>				
None				
Total			3b	

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

- | | | | |
|--|--|-----|----|
| <p>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?</p> <p>a Transfers from the reporting foundation to a noncharitable exempt organization of:</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions:</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>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.</p> | | Yes | No |
| | | | |
| 1a(1) | | | ✓ |
| 1a(2) | | | ✓ |
| | | | |
| 1b(1) | | | ✓ |
| 1b(2) | | | ✓ |
| 1b(3) | | | ✓ |
| 1b(4) | | | ✓ |
| 1b(5) | | | ✓ |
| 1b(6) | | | ✓ |
| 1c | | | ✓ |

[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**

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

4/27/16
Date

President
Title

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

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date	
------	--

Check ☐ if
self-employed

PTIN

Firm's name ▶

Firm's EIN ►

Firm's address ►

Phone no.

FORM 990-PF for Year 2015
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	\$64,158
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SCHEDULE OF TAXES (PART I, LN 18)

Excise taxes	13,384
Foreign investment taxes	<u>3,736</u>
	\$17,120

SCHEDULE OF OTHER EXPENSES (PART I, LN 23)

Misc fees	190
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MODESTUS BAUER FOUNDATION **36-4473692**

Schedule of Contributions

2015- Par XV-Line 3a

<u>Recipient</u>	<u>Amount</u>
Ravinia Festival Association	\$ 10,000.00
Midwest Palliative And Hospice Care	\$ 5,000.00
National Council Of Jewish Women/Los Angeles	\$ 15,000.00
Pass With Flying Colors	\$ 1,000.00
Maltz Jupiter Theatre Inc.	\$ 3,000.00
Writers Theatre Inc.	\$ 25,000.00
Scope Midwest	\$ 2,000.00
Alliance Of Families Fighting Pancreatic Cancer	\$ 2,000.00
Anti-Defamation League Of B'nai Brith	\$ 10,000.00
Family Service	\$ 11,000.00
Friends Of The BWCA	\$ 6,500.00
Highland Park Community Foundation	\$ 7,500.00
Nature Conservancy	\$ 10,000.00
Northfield Food Pantry	\$ 3,000.00
Northwoods Land Trust	\$ 6,500.00
Build, Inc.	\$ 2,000.00
The Chicago Lighthouse	\$ 750.00
Northlight Theatre, Inc.	\$ 5,000.00
The Cleveland Clinic Foundation	\$ 20,000.00
Lake Forest Open Lands Association	\$ 2,000.00
The Art Center	\$ 5,000.00
The Chicago Horticultural Society	\$ 10,000.00
National Multiple Sclerosis Society	\$ 16,000.00
Horizons For Youth	\$ 8,000.00
Planned Parenthood/Chicago Area	\$ 40,000.00
Leukemia Research Foundation	\$ 1,000.00
Evans Scholars Foundation	\$ 10,000.00
MD Anderson Cancer Center	\$ 10,000.00
Northwestern University	\$ 2,500.00
Hadassah Foundation, Inc.	\$ 4,000.00
NorthShore University Health System Foundation	\$ 55,000.00
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
American Committee For The Weizmann Institute Of Science	\$ 10,000.00
Rehabilitation Institute Foundation	\$ 10,000.00
Mayo Foundation	\$ 20,000.00

MODESTUS BAUER FOUNDATION 36-4473692

Schedule of Contributions

2015- Par XV-Line 3a

Northwestern Memorial Foundation	\$ 20,000.00
National Ataxia Foundation	\$ 2,000.00
American Foundation For Suicide Prevention	\$ 1,000.00
Art Encounter	\$ 6,000.00
Deerfield Park Foundation	\$ 250.00
Forgotten Soldiers Outreach	\$ 3,000.00
Jewish United Foundation	\$ 82,500.00
Glenkirk Foundation	\$ 4,000.00
Disabled Patriot Fund	\$ 2,000.00
HSF Basketball, Inc.	\$ 3,000.00
ACWIS	\$ 3,000.00
Daniel M. Murphy Scholarship Fund	\$ 1,000.00
North Lawndale Prep Charter High School	\$ 1,500.00
Camperships For Nebagamon, Inc.	\$ 500.00
Wydown Middle School	\$ 5,000.00
Washington University In St. Louis	\$ 5,000.00
St. Louis Arc	\$ 3,000.00
Ready Readers	\$ 3,000.00
The Penn Fund	\$ 1,500.00
Clayton High School	\$ 5,000.00
Council For Jewish Elderly	\$ 10,000.00
The Gabe W. Miller Memorial Foundation	\$ 250.00
Autism Speaks, Inc.	\$ 30,000.00
Project Village Guatemala Foundation	\$ 4,000.00
ReadWorks	\$ 3,000.00
Comperships For Nebagamon, Inc.	\$ 500.00
Camp Nebagamon Scholarship Fund	\$ 500.00
LIFT	\$ 10,000.00
Lake Forest College	\$ 5,000.00
Standford University	\$ 1,000.00
Michael Rolfe Pancreatic Cancer Fund	\$ 9,000.00
Valencia High School	\$ 1,000.00
First Congregational Church Of Riverside	\$ 1,000.00
Unitarian Universalist Church Of The Desert	\$ 1,000.00
Marine Corp Scholarship Foundation	\$ 2,000.00
JL Cares	\$ 2,000.00
Fisher House	\$ 3,000.00

MODESTUS BAUER FOUNDATION 36-4473692

Schedule of Contributions

2015- Par XV-Line 3a

Thresholds	\$ 1,000.00
Streetwise	\$ 500.00
Las Madrinas Guild	\$ 5,000.00
Am Yisrael	\$ 3,600.00
American Jewish Committee	\$ 1,000.00
American Technion Society	\$ 7,500.00
The Ark	\$ 7,500.00
Birthright Israel Foundation	\$ 2,000.00
College Bound Opportunities	\$ 3,000.00
The Cove School	\$ 3,500.00
CURED	\$ 1,000.00
Environmental Law And Policy Center	\$ 7,500.00
Friends Of The IDF	\$ 7,500.00
Israel Cancer Research Fund	\$ 18,000.00
Lungevity Foundation	\$ 2,500.00
North Shore Youth Health Services, Inc.	\$ 5,000.00
Vasculitis Foundation	\$ 2,500.00
West Deefield Township Food Pantry	\$ 1,500.00
Moraine Township Food Pantry	\$ 1,500.00
Park District Of Highland	\$ 8,000.00
Jupiter Medical Center	\$ 5,000.00
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	\$ 5,000.00
Children's Golf Foundation, Inc.	\$ 5,000.00
Sunshine Through Golf Foundation	\$ 3,000.00
Melanoma Research Foundation	\$ 3,000.00
American Cancer Society	\$ 6,000.00
Friends For Health	\$ 3,000.00
A Night Out, Inc.	\$ 1,500.00
FAU Foundation/LLS Jupiter	\$ 1,000.00
Daniel M. Murphy Scholarship Fund	\$ 3,000.00
Chicago Police Mamorial Foundation	\$ 2,000.00
Window To The World Communications, Inc.	\$ 1,000.00
The WBEZ Alliance, Inc.	\$ 1,000.00
SEDOL	\$ 3,000.00
Memorial Sloan Kettering Cancer Center	\$ 5,000.00

MODESTUS BAUER FOUNDATION 36-4473692

Schedule of Contributions

2015- Par XV-Line 3a

Dysautonomia Foundation	\$ 1,000.00
Rush University Medical Center	\$ 5,000.00
The Kidney Cancer Association	\$ 10,000.00
Partners In Health	\$ 10,000.00
Doctors Without Borders	\$ 10,000.00
The Brady Center To Prevent Gun Violence	\$ 1,000.00
Hubbard Street Dance Chicago	\$ 1,000.00
Holocaust Memorial Foundation Of Illinois, Inc.	\$ 1,000.00
Glencoe Public Library	\$ 1,000.00
Naomi Berrie Diabetes Center, Columbia University	\$ 4,000.00
Beth Israel Medical Center	\$ 1,000.00
Family Action Network	\$ 5,000.00
Highland Park Public Library	\$ 5,000.00
Northern Illinois Food Bank	\$ 10,000.00
University Of Chicago Cancer Research Foundation	\$ 5,000.00
Compassion And Choices	\$ 3,000.00
Community Health	\$ 3,000.00
Student Conservation Association	\$ 2,500.00
Environmental Defense Fund	\$ 2,500.00
Greater Chicago Food Depository	\$ 5,000.00
Preservation Foundation Of The Lake County Forest Preserves	\$ 1,000.00
Cancer Wellness Center	\$ 7,500.00
Ann & Robert H. Lurie Children's Hospital Of Chicago	\$ 5,000.00
Disabled American Veterans	\$ 1,150.00
Total	<u>\$ 865,000.00</u>

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2015

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
CASH & EQUIVALENTS									
	Schwab Treasury Fund		(31,548)		(31,548)		0.010		0.0
								6	0.0
COMMON STOCK									
ENERGY									
1,300	Chevron Corporation	105.01	136,515	89.96	116,948	0.7	4.280	5,564	4.8
3,000	Exxon Mobil Corp	24.49	73,477	77.95	233,850	1.5	2.920	8,760	3.7
2,300	Schlumberger Ltd.	79.02	181,750	69.75	160,425	1.0	2.000	4,600	2.9
			391,742		511,223	3.2		18,924	3.7
UTILITIES									
3,000	Southern Company	31.36	94,068	46.79	140,370	0.9	2.170	6,510	4.6
			94,068		140,370	0.9		6,510	4.6
TELECOMMUNICATIONS									
3,200	Verizon Communications, Inc.	47.71	152,683	46.22	147,904	0.9	2.260	7,232	4.9
			152,683		147,904	0.9		7,232	4.9
DRUGS AND MEDICAL									
3,000	Abbott Laboratories	21.24	63,726	44.91	134,730	0.8	0.960	2,880	2.1
2,000	Baxalta Inc	30.17	60,332	39.03	78,060	0.5	0.280	560	0.7
2,000	Baxter International	37.17	74,338	38.15	76,300	0.5	0.460	920	1.2
4,000	Johnson & Johnson	55.88	223,540	102.72	410,880	2.6	3.000	12,000	2.9
3,400	Merck & Co.	41.03	139,514	52.82	179,588	1.1	1.840	6,256	3.5
			561,451		879,558	5.5		22,616	2.6
MANUFACTURING									
1,600	3M Company	77.78	124,441	150.64	241,024	1.5	4.100	6,560	2.7
8,000	General Electric	27.99	223,897	31.15	249,200	1.5	0.920	7,360	3.0
3,000	Illinois Tool Works Inc.	32.79	98,384	92.68	278,040	1.7	2.200	6,600	2.4

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2015

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
4,500 1,539	Johnson Controls United Technologies Corporation	32.30 105.16	145,328 161,836	39.49 96.07	177,705 147,852	1.1 0.9	1.160 2.560	5,220 3,940	2.9 2.7
			753,885		1,093,821	6.8		29,680	2.7
INSURANCE									
2,800 2,500	Metropolitan Life Travelers Companies Com	48.77 49.45	136,548 123,615	48.21 112.86	134,988 282,150	0.8 1.8	1.500 2.440	4,200 6,100	3.1 2.2
			260,163		417,138	2.6		10,300	2.5
CONSUMER PRODUCTS									
3,000 3,500	Philip Morris International Inc Procter & Gamble	34.15 54.94	102,450 192,276	87.91 79.41	263,730 277,935	1.6 1.7	4.080 2.652	12,240 9,281	4.6 3.3
			294,726		541,665	3.4		21,521	4.0
BANKING AND FINANCE									
2,000 4,000	American Express Bank New York Inc Com	32.01 34.38	64,016 137,505	69.55 41.22	139,100 164,880	0.9 1.0	1.160 0.680	2,320 2,720	1.7 1.6
650 4,000	Blackrock Inc Northern Trust Co.	342.77 49.97	222,800 199,889	340.52 72.09	221,338 288,360	1.4 1.8	8.720 1.440	5,668 5,760	2.6 2.0
			624,211		813,678	5.1		16,468	2.0
DISTRIBUTION AND SERVICES									
6,000	Sysco Corp	23.03	138,198	41.00	246,000	1.5	1.240	7,440	3.0
			138,198		246,000	1.5		7,440	3.0
TRANSPORTATION									
2,300 2,100	Union Pacific United Parcel Service	95.65 66.32	219,987 139,281	78.20 96.23	179,860 202,083	1.1 1.3	2.200 2.920	5,060 6,132	2.8 3.0
			359,268		381,943	2.4		11,192	2.9

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2015

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
SERVICES									
3,000	Accenture Ltd Cl A	26.14	78,406	104.50	313,500	1.9	2,200	6,600	2.1
2,000	Omnicom Group Inc.	66.33	132,654	75.66	151,320	0.9	2,000	4,000	2.6
			211,060		464,820	2.9		10,600	2.3
RETAIL									
1,500	CVS Health Corp.	96.54	144,814	97.77	146,655	0.9	1,700	2,550	1.7
4,000	Lowes Companies Inc.	19.99	79,958	76.04	304,160	1.9	1,120	4,480	1.5
4,000	Wal-Mart Stores Inc	49.62	198,467	61.30	245,200	1.5	1,960	7,840	3.2
			423,239		696,015	4.3		14,870	2.1
ENTERTAINMENT									
3,300	Walt Disney Company	22.39	73,877	105.08	346,764	2.2	1,420	4,686	1.4
			73,877		346,764	2.2		4,686	1.4
TECHNOLOGY									
280	Alphabet Inc Cl C (formerly Google)	509.13	142,555	758.88	212,486	1.3	0.000	0	0.0
7,000	Intel	20.78	145,459	34.45	241,150	1.5	0.960	6,720	2.8
9,000	Microsoft Corporation	19.00	170,982	55.48	499,320	3.1	1,440	12,960	2.6
5,000	Oracle Corp.	22.75	113,747	36.53	182,650	1.1	0.600	3,000	1.6
			572,744		1,135,606	7.1		22,680	2.0
FOOD AND BEVERAGE									
6,000	Nestle S.A. Registered Voting ADR	20.58	123,472	74.48	446,856	2.8	1,910	11,459	2.6
3,000	Pepsico Inc	41.00	123,009	99.92	299,760	1.9	2,810	8,430	2.8
			246,481		746,616	4.6		19,889	2.7
	COMMON STOCK Total		5,157,795		8,563,121	53.2		224,607	2.6

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2015

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 (9/30/15)		2,661,616		2,446,733				
UNSUPERVISED MUTUAL FUNDS									
10,202.616	Artisan Funds International	14.33	146,251	28.68	292,611	1.8	0.128	1,308	0.4
12,877.500	Tweedy Browne Global Value Fund	16.23	208,962	24.46	314,984	2.0	0.211	2,717	0.9
7,069.317	Wasatch Core Growth Fund	29.65	209,633	52.93	374,179	2.3	0.000	0	0.0
			564,846		981,774	6.1		4,025	0.4
UNSUPERVISED EQUITIES AND ETF'S									
3,000	1Shares Tr Russell 2000 Value	46.44	139,334	91.94	275,820	1.7	1.975	5,925	2.1
			139,334		275,820	1.7		5,925	2.1
CORPORATE BONDS									
150,000	AT&T Inc. 2.400% Due 08-15-16	100.81	151,212	100.66	150,991	0.9	2.400	3,600	2.4
150,000	Berkshire Hathaway Inc. 1.900% Due 01-31-17	100.97	151,453	100.87	151,302	0.9	1.900	2,850	1.9
175,000	National Oilwell Varco 1.350% Due 12-01-17	100.09	175,158	97.85	171,237	1.1	1.350	2,362	1.4
100,000	General Electric Co. NC 5.250% Due 12-06-17	107.57	107,565	106.77	106,768	0.7	5.250	5,250	4.9
125,000	Emerson Elec Co 5.250% Due 10-15-18	109.60	136,998	108.92	136,146	0.8	5.250	6,562	4.8
150,000	Target Corp 2.300% Due 06-26-19	102.20	153,294	101.41	152,116	0.9	2.300	3,450	2.3
150,000	Astrazeneca PLC 1.950% Due 09-18-19	100.03	150,044	99.45	149,179	0.9	1.950	2,925	2.0

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2015

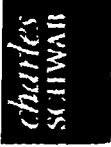
Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
125,000	Pepsico Inc. 3.125% Due 11-01-20	103.62	129,523	103.54	129,421	0.8	3,125	3,906	3.0
150,000	Coca Cola Co. 3.150% Due 11-15-20	104.04	156,056	104.68	157,017	1.0	3,150	4,725	3.0
150,000	Apple Inc. 2.850% Due 05-06-21	101.60	152,397	102.41	153,615	1.0	2,850	4,275	2.8
100,000	Hubbell Inc 3.625% Due 11-15-22	103.50	103,500	102.90	102,898	0.6	3,625	3,625	3.5
			1,567,201		1,567,692	9.8		43,531	2.8
TAXABLE MUNICIPAL BONDS									
150,000	Washington St GO NC 3.400% Due 08-01-16	100.42	150,637	101.66	152,485	0.9	3,400	5,100	3.3
100,000	Durham, NC GO NC 2.720% Due 10-01-17	102.62	102,624	101.94	101,943	0.6	2,720	2,720	2.7
100,000	Oregon St GO 5.420% Due 08-01-18	109.59	109,590	110.05	110,046	0.7	5,420	5,420	4.9
100,000	Forsyth County, GA NC 1.740% Due 03-01-19	99.92	99,923	100.46	100,459	0.6	1,740	1,740	1.7
100,000	University of Alabama Rev CA 7/1/16 @ 100	102.31	102,306	102.14	102,136	0.6	5,650	5,650	5.5
190,000	5.650% Due 07-01-19 Columbia, MO Sewer Rev BAB CA 10/1/19 @ 100	110.48	209,907	108.77	206,669	1.3	5,440	10,336	5.0
			774,987		784,791	4.9		30,966	4.0
TREASURY SECURITIES INDEXED FOR INFLATION									
600,000	US Treasury Inflation Index	105.81	634,841	117.06	702,339	4.4	1,625	9,750	1.4
	1.625% Due 01-15-18								

MODESTUS BAUER FOUNDATION
990-PF- 2015, 36-4473692
SCHEDULE OF INVESTMENTS AS OF 12/31/15
PART II, COLUMNS (b) AND (c)
PAGE 5 OF 6

Lodestar Investment Counsel, LLC
PORTFOLIO APPRAISAL
Modestus Bauer Foundation
December 31, 2015

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
BOND MUTUAL FUNDS (OPEN END)									
44,220.630	Vanguard High Yield Bond Fund - Admiral	5.68	251,370	5.54	244,982	1.5	0.303	13,396	5.5
			251,370		244,982	1.5		13,396	5.5
BOND MUTUAL FUNDS (CLOSED END) & ETF's									
4,000	Pimco 0-5 Year High Yield Corp Bond Fund	104.26	417,035	91.62	366,480	2.3	4.780	19,120	5.2
			417,035		366,480	2.3		19,120	5.2
FNMA									
28.5977	FNMA 15 Yr P/T Pool #576386	99.84	29	100.51	29	0.0	6.000	2	6.0
206.6850	6.000% Due 05-01-16 FNMA 15 Yr P/T Pool #589180	100.56	208	101.64	210	0.0	6.500	13	6.4
498.5502	6.500% Due 06-01-16 FNMA P/T Pool #53915	101.09	504	116.15	579	0.0	7.000	35	6.0
340.6891	7.000% Due 04-01-31 FNMA P/T Pool #577462	99.79	340	104.80	357	0.0	6.500	22	6.2
	6.500% Due 04-01-31								
			1,080		1,175	0.0		72	6.1
FHLMC									
1,746.4700	FHLMC 30 Yr. Gold Pool #C28944	98.59	1,722	104.42	1,724	0.0	7.000	122	6.7
	7.000% Due 07-01-29								
TOTAL PORTFOLIO									
			12,160,279		15,898,083	100.0		351,521	2.2

MODESTUS BAUER FOUNDATION
990-PF- 2015, 36-4473692
SCHEDULE OF INVESTMENTS AS OF 12/31/15
PART II, COLUMNS (b) AND (c)
PAGE 6 OF 6



2015 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss)

Accounting Method: High Cost

Short-Term		Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
FEDERAL HOME LN 1.125%24**CALLED** @PAR EFF: 03: 3134G58R1		200,000.0000	05/28/14	03/24/15	\$200,000.00	\$200,020.00	(\$20.00)
Security Subtotal					\$200,000.00	\$200,020.00	(\$20.00)
GOOGLE INC CLASS C: GOOG		0.7687	01/20/15	05/04/15	\$427.97	\$391.39	\$36.58
Security Subtotal					\$427.97	\$391.39	\$36.58
WM WRIGLEY JR CO 4.85XXX**MATURED**: 982526AB1		150,000.0000	09/11/14	07/15/15	\$150,000.00	\$154,988.75	(\$4,988.75)
Security Subtotal					\$150,000.00	\$154,988.75	(\$4,988.75)
Total Short-Term					\$350,427.97	\$355,400.14	(\$4,972.17)
Long-Term							
AMERICAN EXPRESS CO: AXP		1,000.0000	04/25/03	05/15/15	\$80,674.07	\$32,141.01	\$48,533.06
Security Subtotal					\$80,674.07	\$32,141.01	\$48,533.06



2015 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

Accounting Method: High Cost

Long-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
COCA COLA COMPANY: KO	3,600.0000	07/29/05	01/20/15	\$154,710.34	\$79,705.98	\$75,004.36
COCA COLA COMPANY: KO	3,000.0000	02/03/06	01/20/15	\$128,925.28	\$81,290.00	\$67,635.28
Security Subtotal				\$283,635.62	\$140,995.98	\$142,639.64
DISNEY WALT CO: DIS	700.0000	10/29/03	04/01/15	\$73,190.10	\$15,786.72	\$57,403.38
Security Subtotal				\$73,190.10	\$15,786.72	\$57,403.38
FED HM LN BKS 1.25XXX**CALLED** @100 EFF: 10:3130A2JE7	100,000.0000	07/18/14	10/23/15	\$100,000.00	\$100,020.00	(\$20.00)
Security Subtotal				\$100,000.00	\$100,020.00	(\$20.00)
INTEL CORP: INTC	2,000.0000	08/14/12	01/20/15	\$72,091.46	\$53,900.00	\$18,191.46
Security Subtotal				\$72,091.46	\$53,900.00	\$18,191.46
J HANGCOCK LIFE I 5.45%15 10/15/15: 41013MVQ0	125,000.0000	07/17/12	10/15/15	\$125,000.00	\$138,105.00	(\$13,105.00)
Security Subtotal				\$125,000.00	\$138,105.00	(\$13,105.00)

MODESTUS BAUER FOUNDATION
990-PF- 2015, 36-4473692
CAPITAL GAINS AND LOSSES, 2015
PART IV, LINE 1b



Schwab One® Account of
MODESTUS BAUER FOUNDATION

Account Number
1071-2376

Report Period
January 1 - December 31,
2015

2015 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

						Accounting Method: High Cost	
Long-Term (continued)						Cost Basis	Realized Gain or (Loss)
	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds			
LOWES COMPANIES INC: LOW	1,000.0000	06/04/09	04/01/15	\$74,282.68		\$19,989.40	\$54,293.28
Security Subtotal				\$74,282.68		\$19,989.40	\$54,293.28
OH ST INFRA PROJ 3XXX**MATURED** XTRO TAXBL: 677581DX5	150,000.0000	05/19/10	08/15/15	\$150,000.00		\$150,020.00	(\$20.00)
Security Subtotal				\$150,000.00		\$150,020.00	(\$20.00)
ORACLE CORPORATION: ORCL	1,000.0000	06/28/10	01/20/15	\$43,531.09		\$22,749.50	\$20,781.59
Security Subtotal				\$43,531.09		\$22,749.50	\$20,781.59
POTASH CORP SASK INC F: POT	4,500.0000	02/11/14	09/25/15	\$93,232.48		\$152,152.20	(\$58,919.72)
Security Subtotal				\$93,232.48		\$152,152.20	(\$58,919.72)
QUALCOMM INC: QCOM	2,000.0000	11/10/14	12/22/15	\$97,419.26		\$138,037.80	(\$40,618.34)
Security Subtotal				\$97,419.26		\$138,037.80	(\$40,618.34)
ROYAL DUTCH SHELL FADR ADR REPS: RDSB	1 2,200.0000	10/08/11	04/20/15	\$141,218.55		\$138,678.32	\$2,540.23
Security Subtotal				\$141,218.55		\$138,678.32	\$2,540.23

MODESTUS BAUER FOUNDATION
990-PF- 2015, 36-4473692
CAPITAL GAINS AND LOSSES, 2015
PART IV, LINE 1b



Schwab One® Account of
MODESTUS BAUER FOUNDATION

Account Number
1071-2375

Report Period
January 1 - December 31,
2015

2015 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

Accounting Method: High Cost					
Long-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis Realized Gain or (Loss)
THE SOUTHERN COMPANY: SO	2,000.0000	08/31/09	01/20/15	\$102,899.18	\$82,711.80 \$40,187.38
Security Subtotal				\$102,899.18	\$82,711.80 \$40,187.38
TRAVELERS COMPANIES: TRV	500.0000	10/08/11	12/22/15	\$55,448.03	\$24,723.05 \$30,724.98
Security Subtotal				\$55,448.03	\$24,723.05 \$30,724.98
UNITED TECHNOL 7.5% PFD PFD 08/01/15: 913017117	3,000.0000	08/03/12	08/02/15	\$150,582.50	\$161,835.80 (\$11,273.10)
Security Subtotal				\$150,582.50	\$161,835.80 (\$11,273.10)
VIRTUS MULTI SECTOR SHORT TERM BD FD CL I: PIMSX	113,209.1030	multiple	07/07/15	\$539,982.42	\$550,099.90 (\$10,117.48)
Security Subtotal				\$539,982.42	\$550,099.90 (\$10,117.48)
Total Long-Term				\$2,183,167.44	\$1,901,948.08 \$281,221.36
Total Realized Gain or (Loss)				\$2,533,595.41	\$2,257,348.22 \$276,249.19

MODESTUS BAUER FOUNDATION
990-PF- 2015, 36-4473692
CAPITAL GAINS AND LOSSES, 2015
PART IV, LINE 1b

PAGE 4 OF 4