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EXTENDED TO NOVEMBER 15, 2016

Return of Private Foundation

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

OMB No 1545-0052

Form 990-PF

Department 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.

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning

, and ending

Name of foundation KENDRICK B. MELROSE FAMILY FOUNDATION		A Employer identification number 41-1894134
Number and street (or P.O. box number if mail is not delivered to street address) 319 BARRY AVENUE SOUTH	Room/suite 200	B Telephone number (952) 473-1802
City or town, state or province, country, and ZIP or foreign postal code WAYZATA, MN 55391		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) \$ 10,461,017.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> 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 <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))		(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			N/A		
	2 Check <input checked="" 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	195,532.	195,532.		STATEMENT 1	
	5a Gross rents					
	b Net rental income or (loss)					
	6a Net gain or (loss) from sale of assets not on line 10	<213,315.>				
	b Gross sales price for all assets on line 6a	4,079,395.				
	7 Capital gain net income (from Part IV, line 2)		0.			
	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)						
11 Other income	<72,276.>	<72,276.>		STATEMENT 2		
12 Total. Add lines 1 through 11	<90,059.>	123,256.				
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.	
	14 Other employee salaries and wages					
	15 Pension plans, employee benefits					
	16a Legal fees					
	b Accounting fees					
	c Other professional fees	STMT 3	74,954.	74,954.		0.
	17 Interest					
	18 Taxes	STMT 4	11,300.	0.		0.
	19 Depreciation and depletion					
	20 Occupancy					
	21 Travel, conferences, and meetings					
	22 Printing and publications					
	23 Other expenses	STMT 5	25.	0.		25.
	24 Total operating and administrative expenses. Add lines 13 through 23		86,279.	74,954.		25.
	25 Contributions, gifts, grants paid		322,260.			322,260.
26 Total expenses and disbursements. Add lines 24 and 25		408,539.	74,954.		322,285.	
27 Subtract line 26 from line 12:						
a Excess of revenue over expenses and disbursements		<498,598.>				
b Net investment income (if negative, enter -0-)			48,302.			
c Adjusted net income (if negative, enter -0-)				N/A		

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LHA For Paperwork Reduction Act Notice, see instructions.

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments		1,426,110.	916,650.	916,650.
	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				
	7	Other notes and loans receivable ▶				
		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				
	b	Investments - corporate stock	STMT 6	5,136,945.	4,131,892.	4,370,576.
	c	Investments - corporate bonds				
	Liabilities	11	Investments - land, buildings, and equipment basis ▶			
		Less: accumulated depreciation ▶				
12		Investments - mortgage loans				
13		Investments - other	STMT 7	3,897,722.	4,913,637.	5,173,791.
14		Land, buildings, and equipment basis ▶				
		Less: accumulated depreciation ▶				
15		Other assets (describe ▶)				
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		10,460,777.	9,962,179.	10,461,017.
17		Accounts payable and accrued expenses				
18		Grants payable				
Net Assets or Fund Balances	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶)				
23	Total liabilities (add lines 17 through 22)		0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		0.	0.	
28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.		
29	Retained earnings, accumulated income, endowment, or other funds		10,460,777.	9,962,179.		
30	Total net assets or fund balances		10,460,777.	9,962,179.		
31	Total liabilities and net assets/fund balances		10,460,777.	9,962,179.		

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	10,460,777.
2	Enter amount from Part I, line 27a	2	<498,598.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	9,962,179.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	9,962,179.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a PUBLICLY TRADED SECURITIES				
b CAPITAL GAINS DIVIDENDS				
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 4,008,301.		4,292,710.	<284,409.>
b 71,094.			71,094.
c			
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			<284,409.>
b			71,094.
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	<213,315.>
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). If (loss), enter -0- in Part I, line 8	{ }	3	N/A

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	122,690.	11,015,887.	.011138
2013	2,294,886.	12,081,349.	.189953
2012	2,546,366.	13,425,723.	.189663
2011	1,124,163.	14,853,251.	.075685
2010	1,012,948.	13,999,723.	.072355

2 Total of line 1, column (d)	2	.538794
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	.107759
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	10,845,899.
5 Multiply line 4 by line 3	5	1,168,743.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	483.
7 Add lines 5 and 6	7	1,169,226.
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	322,285.

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 type="checkbox"/> and enter 1% of Part I, line 27b		1	966.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	966.
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	966.
6 Credits/Payments:			
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a	9,004.	
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	9,004.	
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	8,038.	
11 Enter the amount of line 10 to be: Credited to 2016 estimated tax <input type="checkbox"/> 8,038. Refunded <input type="checkbox"/> 0.	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
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		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
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		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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?	X	
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	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MN		
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	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 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	X	
14 The books are in care of ► KENDRICK B. MELROSE Telephone no. ► (952) 887-5901 Located at ► 319 BARRY AVENUE SOUTH, STE 200, WAYZATA, MN ZIP+4 ► 55391		
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		
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 ►		X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2015?		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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	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. ►		
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)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2015?		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)?

N/A

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?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870

6b

X

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?

N/A

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.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

0

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
MORGAN STANLEY - 445 EAST LAKE STREET, STE 320, WAYZATA, MN 55391	INVESTMENT SERVICES	74,954.

Total number of others receiving over \$50,000 for professional services

0

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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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	9,987,461.
b	Average of monthly cash balances	1b	1,023,604.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	11,011,065.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	11,011,065.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	165,166.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,845,899.
6	Minimum investment return. Enter 5% of line 5	6	542,295.

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	542,295.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	966.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	966.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	541,329.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	541,329.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	541,329.

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	322,285.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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	322,285.
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	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	322,285.

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				541,329.
2 Undistributed income, if any, as of the end of 2015			0.	
a Enter amount for 2014 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011	291,956.			
c From 2012	1,891,264.			
d From 2013	1,703,847.			
e From 2014				
f Total of lines 3a through e	3,887,067.			
4 Qualifying distributions for 2015 from Part XII, line 4: ▶ \$ 322,285.			0.	
a Applied to 2014, but not more than line 2a				
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.			322,285.
d Applied to 2015 distributable amount	0.			
e Remaining amount distributed out of corpus	219,044.			219,044.
5 Excess distributions carryover applied to 2015 (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:	3,668,023.			
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
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 instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	3,668,023.			
10 Analysis of line 9:				
a Excess from 2011	72,912.			
b Excess from 2012	1,891,264.			
c Excess from 2013	1,703,847.			
d Excess from 2014				
e Excess from 2015				

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SCHOLARSHIP AMERICA ONE SCHOLARSHIP WAY ST. PETER, MN 56082	NONE	PC	SCHOLARSHIP FUND	72,260.
CHRISTO REY JESUIT HIGH SCHOOL 2924 4TH AVE S MINNEAPOLIS, MN 55408	NONE	PC	GENERAL PURPOSE	250,000.
Total			▶ 3a	322,260.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

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> | <p>Yes</p> |
| | <p>1a(1)</p> |
| | <p>1a(2)</p> |
| | <p>1b(1)</p> |
| | <p>1b(2)</p> |
| | <p>1b(3)</p> |
| | <p>1b(4)</p> |
| | <p>1b(5)</p> |
| | <p>1b(6)</p> |
| | <p>1c</p> |

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[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
N/A		

**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 _____

► CHAIR

Title

May the IRS discuss this return with the preparer shown below (see instr 1)?

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ self-employed

PTIN

DEB NELSON, CPA

DEB NELSON, CPA

10/03/16

P01264758

Firm's name ► EIDE BAILLY LLP

Firm's EIN ▶ 45-0250958

Firm's address ► 800 NICOLLET MALL, STE. 1300
MINNEAPOLIS, MN 55402-7033

Phone no. 612-253-6500

Form **990-PF** (2015)

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
DIVIDENDS AND INTEREST	266,626.	71,094.	195,532.	195,532.	
TO PART I, LINE 4	266,626.	71,094.	195,532.	195,532.	

FORM 990-PF	OTHER INCOME	STATEMENT	2
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT LOSS	<23,965.>	<23,965.>	
ALLOCATED PARTNERSHIP INCOME	<48,311.>	<48,311.>	
TOTAL TO FORM 990-PF, PART I, LINE 11	<72,276.>	<72,276.>	

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	74,954.	74,954.		0.
TO FORM 990-PF, PG 1, LN 16C	74,954.	74,954.		0.

FORM 990-PF	TAXES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX	11,300.	0.		0.
TO FORM 990-PF, PG 1, LN 18	11,300.	0.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MN FILING FEE	25.	0.		25.
TO FORM 990-PF, PG 1, LN 23	25.	0.		25.

FORM 990-PF	CORPORATE STOCK	STATEMENT	6
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
EQUITIES - SEE ATTACHED STATEMENT	747,393.	756,688.
MUTUAL FUNDS - SEE ATTACHED STATEMENT	3,384,499.	3,613,888.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,131,892.	4,370,576.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	7
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ETF'S - SEE ATTACHED STATEMENT	COST	3,640,629.	3,894,944.
MANAGED FUTURES PREMIER BHM LP	COST	181,487.	158,643.
NH CREDIT PTR II OFFSH	COST	143,038.	160,377.
ORION FUTURES FUND	COST	591,811.	578,797.
SKYBRIDGE MULTI ADVISOR HEDGE	COST	356,672.	381,030.
TOTAL TO FORM 990-PF, PART II, LINE 13		4,913,637.	5,173,791.

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT	8
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT
KENDRICK B. MELROSE 319 BARRY AVENUE SOUTH, 200 WAYZATA, MN 55391	CHAIR, PRESIDENT, SECRETARY, TREASURER 5.00	0.	0. 0.
EDWARD A ARNDT 319 BARRY AVENUE SOUTH, 200 WAYZATA, MN 55391	DIRECTOR (FROM FEB 2015) 1.00	0.	0. 0.
DAVID ZAUDTKE 319 BARRY AVENUE SOUTH, 200 WAYZATA, MN 55391	DIRECTOR (FROM FEB 2015) 1.00	0.	0. 0.
LAURIE RIVARD 319 BARRY AVENUE SOUTH, 200 WAYZATA, MN 55391	DIRECTOR (FROM FEB 2015) 1.00	0.	0. 0.
KENDRA L. MELROSE 319 BARRY AVENUE SOUTH, 200 WAYZATA, MN 55391	DIRECTOR (THRU FEB 2015) 1.00	0.	0. 0.
ROBERT A. MELROSE 319 BARRY AVENUE SOUTH, 200 WAYZATA, MN 55391	DIRECTOR (THRU FEB 2015) 1.00	0.	0. 0.
VELIA E. MELROSE 319 BARRY AVENUE SOUTH, 200 WAYZATA, MN 55391	DIRECTOR (THRU FEB 2015) 1.00	0.	0. 0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0. 0.

Account Detail

Portfolio Management Basic Securities Account

KENDRICK B MELROSE
FAMILY FOUNDATION
Nickname: FF AG INCOME GEN STRATEGY
INTERESTED PARTY COPY

Investment Objectives†: Capital Appreciation, Aggressive Income, Income, Speculation

Investment Advisory Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change.

HOLDINGS

This section reflects positions purchased/sold on a trade date basis. "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price. Structured Investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories. When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e.g., Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest. For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period.

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY PRIVATE BANK NA #	\$102,036.33	—	\$20.00	0.020

	Percentage of Holdings	Market Value	Est Ann Income
CASH, BDP, AND MMFs	6.95%	\$102,036.33	\$20.00

Bank Deposits are held at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member.

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
TWO HARBORS INVT CORP COM (TWO)	4/20/15	3,649.000	\$10.700	\$8.100	\$39,043.57	\$29,556.90	\$(9,486.67) ST	\$3,795.00	12.83
Next Dividend Payable 01/20/16; Asset Class: Alt									

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	2.01%	\$39,043.57	\$29,556.90	\$(9,486.67) ST	\$3,795.00	12.84%

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2015

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Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FF AG INCOME GEN STRATEGY
INTERESTED PARTY COPY

EXCHANGE-TRADED & CLOSED-END FUNDS

Global Investment Manager Analysis (GIMA) status codes (FL, AL or NL), may be shown for certain exchange-traded funds and are not guarantees of performance. Refer to "GIMA Status in Investment Advisory Programs" in the June or December statement for a description of these status codes.

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
BLACKROCK CORP HGH YLD FD INC (HYT) Next Dividend Payable 01/08/16; Asset Class FI & Pref	12/14/15	6,289 000	\$9 430	\$9 780	\$59,303.38	\$61,506 42	\$2,203 04 ST	\$5,283 00	8 58
BLACKROCK DEBT STRAT FD INC (DSU) Next Dividend Payable 01/08/16; Asset Class FI & Pref	2/24/15	10,335 000	3 762	3.370	38,884 40	34,828 95	(4,055 45) ST	2,480 00	7 12
EATON VANCE FLOATING RT INCM (EFT)	11/16/15	103 000	12 992	12 640	1,338 19	1,301 92	(36 27) ST		
	11/17/15	2,748 000	13 057	12 640	35,881 46	34,734 72	(1,146 74) ST		
	11/19/15	7 000	13 041	12 640	91 29	88 48	(2 81) ST		
Total		2,858 000			37,310 94	36,125 12	(1,185 82) ST	2,606 00	7.21
Next Dividend Payable 01/2016; Asset Class FI & Pref									
GLOBAL X MLP ETF (MLPA) Next Dividend Payable 02/2016; Asset Class Alt	11/30/15	4,903 000	10 600	10 390	51,971 80	50,942 17	(1,029 63) ST	4,731 00	9 28
ISHARES IBOXX \$ H/T COR BD ETF (HYG)	10/9/14	423 000	91 670	80 580	38,776 41	34,085 34	(4,691 07) LT		
	12/1/14	441 000	90 200	80 580	39,778 20	35,535 78	(4 242 42) LT		
Total		864 000			78,554 61	69,621 12	(8,933 49) LT	4,109 00	5 90
GIMA Status: AL, Next Dividend Payable 01/2016; Asset Class FI & Pref									
PIMCO 1-5 YEAR U S.TIPX IDX FD (STPZ) GIMA Status: AL, Next Dividend Payable 01/05/16; Asset Class FI & Pref	4/20/15	745 000	52 410	51.330	39,045 45	38,240 85	(804 60) ST	186 00	0 48
SPDR SERIES TRUST DB INT GVT (WIP) GIMA Status: AL, Next Dividend Payable 01/07/16; Asset Class FI & Pref	4/20/15	697 000	55 922	50.360	38,977 63	35,100 92	(3,876 71) ST	32 00	0 09
TPG SPECIALTY LENDING INC (TSLQ) Next Dividend Payable 01/29/16; Asset Class Equities	6/9/15	2,150 000	18 129	16 220	38,977 78	34,873 00	(4,104 78) ST	3,354 00	9 61
VANGUARD DIVIDEND APPRECIATION (VIG) Next Dividend Payable 03/2016; Asset Class: Equities	8/15/14	1,019 000	76 440	77 760	77,892 36	79,237 44	1,345 08 LT	1,854 00	2 33
Percentage of Holdings					Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	30 02%				\$460,918.35	\$440,475.99	\$(7,588.41) LT (12,853.95) ST	\$24,635 00	5 59%



CLIENT STATEMENT | For the Period December 1-31, 2015

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Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FF AG INCOME GEN STRATEGY
INTERESTED PARTY COPY

MUTUAL FUNDS

"Total Purchases vs. Market Value" is provided to assist you in comparing your "Total Purchases," excluding reinvested distributions, with the current value of the mutual fund positions in your account.

"Cumulative Cash Distributions" when shown, may reflect distributions on shares no longer held in the account. It may not reflect all distributions received in cash, due to but not limited to investments made prior to addition of this information on statements, securities transfers, timing of recent distributions, and certain adjustments made in your account.

"Net Value Increase/(Decrease)" reflects the difference between your total purchases, and the sum of the current value of the fund's shares, and cash distributions shown. This calculation is for informational purposes only and does not reflect your total unrealized gain or loss nor should it be used for tax purposes.

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
DOUBLELINE TOTAL RETURN I (DBLTX)	1/9/12	13,558.902	\$11.030	\$10.780	\$149,554.69	\$146,164.96	\$(3,389.73) LT	\$6,074.00	4.15
Total Purchases vs Market Value					149,554.69	146,164.96			
Cumulative Cash Distributions						37,225.58			
Net Value Increase/(Decrease)						33,835.85			
<i>Dividend Cash, Capital Gains Cash, Asset Class FI & Pref</i>									
E V FLOATING RATE HI INC INST (EIFHX)	2/9/11	6,551.473	8.909	8.270	58,366.63	54,180.68	(4,185.95) LT R		
	9/29/11	93.009	8.439	8.270	784.90	769.18	(15.72) LT R		
Total		6,644.482			59,151.53	54,949.87	(4,201.67) LT	2,512.00	4.57
Total Purchases vs Market Value					59,151.53	54,949.87			
Cumulative Cash Distributions						19,480.49			
Net Value Increase/(Decrease)						15,278.83			
<i>Dividend Cash, Capital Gains Cash, Asset Class FI & Pref</i>									
INVESCO FLOATING RATE Y (AFRYX)	11/1/12	7,064.699	7.830	7.130	55,316.60	50,371.30	(4,945.30) LT		
Purchases		7,064.699			55,316.60	50,371.30	(4,945.30) LT		
Long Term Reinvestments		908.243			7,200.52	6,475.77	(724.75) LT		
Short Term Reinvestments		419.573			3,189.74	2,991.56	(198.18) ST		
Total		8,392.515			65,706.86	59,838.63	(5,868.23) LT	3,281.00	5.48
Total Purchases vs Market Value					65,706.86	59,838.63			
Net Value Increase/(Decrease)						4,522.03			
<i>Enrolled in MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class FI & Pref</i>									
LOOMIS SAYLES STRATEGIC INC Y (NEZYX)	7/9/10	6,768.735	14.041	13.650	95,037.87	92,393.23	(2,644.64) LT		
	1/18/11	7,709.911	14.940	13.650	115,187.00	105,240.29	(9,946.71) LT		
Purchases		14,478.646			210,224.87	197,633.52	(12,591.35) LT		
Long Term Reinvestments		9,180.913			140,594.89	125,319.46	(15,275.43) LT		
Short Term Reinvestments		2,451.720			34,925.87	33,465.98	(1,459.89) ST		
Total		26,111.279			385,745.63	356,418.96	(29,326.67) LT	16,058.00	4.50
Total Purchases vs Market Value					385,745.63	356,418.96			
Net Value Increase/(Decrease)						(29,326.67)			

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Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2015

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Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FF AG INCOME GEN STRATEGY
INTERESTED PARTY COPY

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
Total Purchases vs Market Value					210,224.87	356,418.96			
Net Value Increase/(Decrease)						146,194.09			
Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class: Equities, FI & Pref									
PIMCO INCOME P (PONPX)	1/24/12	6,914.456	10.970	11.730	75,851.58	81,106.57	5,254.99 LT		
	2/28/12	11,223.970	11.200	11.730	125,708.46	131,657.17	5,948.71 LT		
	Total	18,138.426			201,560.04	212,763.74	11,203.70 LT	11,844.00	5.56
Total Purchases vs Market Value					201,560.04	212,763.74			
Cumulative Cash Distributions						70,534.06			
Net Value Increase/(Decrease)						81,737.76			
Dividend Cash, Capital Gains Cash, Asset Class: FI & Pref									
TCW EMERG MKTS INCOME I (TGEIX)	7/15/11	6,621.411	8.820	7.470	58,404.12	49,461.94	(8,942.18) LT R		
	9/29/11	423.037	7.962	7.470	3,368.28	3,160.09	(208.19) LT R		
	9/18/13	1,676.477	8.388	7.470	14,061.47	12,523.28	(1,538.19) LT R		
	Total	8,720.925			75,833.87	65,145.31	(10,688.56) LT	3,532.00	5.42
Total Purchases vs Market Value					75,833.87	65,145.31			
Cumulative Cash Distributions						22,669.63			
Net Value Increase/(Decrease)						11,981.07			
Dividend Cash, Capital Gains Cash, Asset Class: FI & Pref									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
MUTUAL FUNDS	61.01%				\$937,552.62	\$895,281.47	\$(40,613.09) LT \$(1,658.07) ST	\$43,301.00	4.84%
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
TOTAL MARKET VALUE					\$1,437,514.54	\$1,467,350.69	\$(48,201.50) LT \$(23,998.69) ST	\$71,751.00	4.89%
TOTAL VALUE (includes accrued interest)	100.00%					\$1,467,350.69		\$0.00	

R - The cost basis for this tax lot was adjusted due to a reclassification of income

Unrealized Gain/(Loss) totals only reflect positions that have both cost basis and market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included



CLIENT STATEMENT | For the Period December 1-31, 2015

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Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FFS AG INCOME GEN STRAT
INTERESTED PARTY COPY

Investment Objectives † Capital Appreciation, Aggressive Income, Income, Speculation

Investment Advisory Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change

HOLDINGS

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CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY PRIVATE BANK NA #	\$4,707.79	—	\$1.00	0.020
	Percentage of Holdings	Market Value	Est Ann Income	
CASH, BDP, AND MMF:	3.83%	\$4,707.79	\$1.00	

Bank Deposits are held at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member.

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
TWO HARBORS INVT CORP COM (TWO)	4/20/15	322.000	\$10.700	\$8.100	\$3,445.34	\$2,608.20	\$(837.14) ST	\$335.00	12.84
Next Dividend Payable 01/20/16, Asset Class Alt									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	2.12%				\$3,445.34	\$2,608.20	\$(837.14) ST	\$335.00	12.84%

Morgan Stanley

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Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FFS AG INCOME GEN STRAT
INTERESTED PARTY COPY

EXCHANGE-TRADED & CLOSED-END FUNDS

Global Investment Manager Analysis (GIMA) status codes (FL, AL or NL), may be shown for certain exchange-traded funds and are not guarantees of performance. Refer to "GIMA Status in Investment Advisory Programs" in the June or December statement for a description of these status codes.

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
BLACKROCK CORP HGH YLD FD INC (HYT) Next Dividend Payable 01/08/16; Asset Class: FI & Pref	12/21/15	600 000	\$9 764	\$9 780	\$5,858 40	\$5,868 00	\$9 60 ST	\$504 00	8 58
BLACKROCK DEBT STRAT FD INC (DSU) Next Dividend Payable 01/08/16; Asset Class: FI & Pref	2/24/15	912 000	3 762	3.370	3,431.31	3,073 44	(357 87) ST	219 00	7 12
EATON VANCE FLOATING RT INCM (EFT) 11/17/15 11/19/15 Total		238 000 1 000 239 000	13 057 13 040	12 640 12 640	3,107 64 13 04 3,120 68	3,008 32 12 64 3,020 96	(99 32) ST (0 40) ST (99 72) ST	218 00	7 21
Next Dividend Payable 01/20/16; Asset Class: FI & Pref									
GLOBAL X MLP ETF (MLPA) Next Dividend Payable 02/20/16; Asset Class: AR	11/30/15	484 000	10 600	10.390	5,130 40	5,028 76	(101 64) ST	467 00	9 28
ISHARES IBOX \$ H/Y COR BD ETF (HYG) 10/9/14 12/1/14 Total		31 000 44 000 75 000	91 670 90 200	80 580 80 580	2,841 77 3,968 80 6,810 57	2,497 98 3,545 52 6,043 50	(343 79) LT (423 28) LT (767 07) LT	357 00	5 90
GIMA Status: AL; Next Dividend Payable 01/20/16; Asset Class: FI & Pref									
PIMCO 1-5 YEAR U.S. TIPX IDX FD (STPZ) GIMA Status: AL; Next Dividend Payable 01/05/16; Asset Class: FI & Pref	4/20/15	63 000	52 410	51.330	3,301 83	3,233 79	(68 04) ST	16 00	0 49
SPDR SERIES TRUST DB INT GYT (WIP) GIMA Status: AL; Next Dividend Payable 01/07/16; Asset Class: FI & Pref	4/20/15	61 000	55 922	50.360	3,411 24	3,071 96	(339 28) ST	3 00	0 09
TPG SPECIALTY LENDING INC (TSLX) Next Dividend Payable 01/29/16; Asset Class: Equities	6/4/15	189 000	18 096	16.220	3,420 05	3,065 58	(354 47) ST	295 00	9 62
VANGUARD DIVIDEND APPRECIATION (VIG) Next Dividend Payable 03/20/16; Asset Class: Equities	8/15/14	84 000	76 440	77.760	6,420 96	6,531 84	110 88 LT	153 00	2 34
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	31.71%				\$40,905.44	\$38,937.83	\$(656.19) LT (1,311.42) ST	\$2,232.00	5.73%



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Portfolio Management Basic Securities Account

KENDRICK B MELROSE
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MUTUAL FUNDS

"Total Purchases vs. Market Value" is provided to assist you in comparing your "Total Purchases," excluding reinvested distributions, with the current value of the mutual fund positions in your account

"Cumulative Cash Distributions" when shown, may reflect distributions on shares no longer held in the account. It may not reflect all distributions received in cash, due to but not limited to investments made prior to addition of this information on statements, securities transfers, timing of recent distributions, and certain adjustments made in your account

"Net Value Increase/ (Decrease)" reflects the difference between your total purchases, and the sum of the current value of the fund's shares, and cash distributions shown. This calculation is for informational purposes only and does not reflect your total unrealized gain or loss nor should it be used for tax purposes.

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
DOUBLELINE TOTAL RETURN I (DBLTX)	1/9/12	405 126	\$11 030	\$10 780	\$4,468 54	\$4,367 26	\$(101 28) LT		
	2/16/12	684 258	11 180	10 780	7 650 00	7,376 30	(273 70) LT		
	1/10/13	116 671	11 390	10 780	1,328 88	1 257 71	(71 17) LT		
	Total	1,206 055			13,447 42	13,001 27	(446 15) LT	540 00	4 15
Total Purchases vs Market Value					13,447 42	13,001 27			
Cumulative Cash Distributions						3,511 50			
Net Value Increase/(Decrease)						3,065 35			
Dividend Cash, Capital Gains Cash, Asset Class FI & Pref									
E V FLOATING RATE HI INC INST (EIFHX)	2/9/11	127 515	8 895	8 270	1,134 26	1,054 55	(79 71) LT R		
	2/16/12	469 213	8 769	8 270	4,114 49	3 880 39	(234 10) LT R		
	Total	596 728			5,248 75	4,934 94	(313 81) LT	226 00	4 57
Total Purchases vs Market Value					5,248 75	4,934 94			
Cumulative Cash Distributions						1,548 11			
Net Value Increase/(Decrease)						1,234 30			
Dividend Cash, Capital Gains Cash, Asset Class FI & Pref									
INVESCO FLOATING RATE Y (AFRYX)	11/1/12	565 516	7 830	7 130	4 427 99	4 032 13	(395 86) LT		
Purchases		565 516			4,427 99	4,032 13	(395 86) LT		
Long Term Reinvestments		93 070			738 28	663 59	(74 69) LT		
Short Term Reinvestments		39 237			298 89	279 76	(19 13) ST		
	Total	697 823			5,465 16	4,975 48	(470 55) LT	273 00	5 48
Total Purchases vs Market Value					4,427 99	4,975 48			
Net Value Increase/(Decrease)						547 49			
Enrolled in MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class FI & Pref									
LOOMIS SAYLES STRATEGIC INC Y (MEZYX)	12/19/08	634 694	10 383	13 650	6,590 12	8,663 57	2,073 45 LT		
	7/8/10	9 136	14 011	13 650	128 00	124 71	(3 29) LT		
	2/16/12	1,322 493	15 070	13 650	19,930 00	18 052 03	(1,877 97) LT		
	1/10/13	132 803	15 760	13 650	2,092 97	1 812 76	(280 21) LT		
	Total	2,099 126			28,741 09	28,653 07	(88 02) LT	1,291 00	4 50

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Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
Total Purchases vs Market Value					28,741.09	28,653.07			
Cumulative Cash Distributions						10,351.10			
Net Value Increase/(Decrease)						10,263.08			
Dividend Cash, Capital Gains Cash, Asset Class: Equities, FI & Pref									
PIMCO INCOME P (PONPX)	2/16/12	649.317	11.150	11.730	7,239.88	7,616.49	376.61 LT		
	2/28/12	945.155	11.200	11.730	10,585.74	11,086.67	500.93 LT		
	Total	1,594.472			17,825.62	18,703.16	877.54 LT	1,041.00	5.56
Total Purchases vs Market Value					17,825.62	18,703.16			
Cumulative Cash Distributions						6,680.06			
Net Value Increase/(Decrease)						7,557.60			
Dividend Cash, Capital Gains Cash, Asset Class: FI & Pref									
TCW EMERG MKTS INCOME I (TGEIX)	7/15/11	235.949	8.811	7.470	2,078.84	1,762.54	(316.30) LT R		
	2/16/12	465.896	8.575	7.470	3,995.09	3,480.24	(514.85) LT R		
	9/18/13	137.542	8.387	7.470	1,153.63	1,027.44	(126.19) LT R		
	Total	839.387			7,227.56	6,270.22	(957.34) LT	340.00	5.42
Total Purchases vs Market Value					7,227.56	6,270.22			
Cumulative Cash Distributions						2,126.11			
Net Value Increase/(Decrease)						1,168.77			
Dividend Cash, Capital Gains Cash, Asset Class: FI & Pref									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
MUTUAL FUNDS	62.33%				\$77,955.60	\$76,538.14	\$(1,398.33) LT \$(19.13) ST	\$3,711.00	4.85%
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
TOTAL MARKET VALUE					\$122,306.38	\$122,791.98	\$(2,054.52) LT \$(2,167.69) ST	\$6,279.00	5.11%
TOTAL VALUE (includes accrued interest)	100.00%					\$122,791.96		\$0.00	

R - The cost basis for this tax lot was adjusted due to a reclassification of income

Unrealized Gain/(Loss) totals only reflect positions that have both cost basis and market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included

Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
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Investment Objectives †: Capital Appreciation, Income, Aggressive Income, Speculation

Investment Advisory Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change.

HOLDINGS

This section reflects positions purchased/sold on a trade date basis. "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market. Fixed income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price. Structured investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories. When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e.g., Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest. For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period.

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
CASH	\$11.63			
MORGAN STANLEY PRIVATE BANK NA #	4,379.10	—	1.00	0.020

	Percentage of Holdings	Market Value	Est Ann Income
CASH, BDP, AND MMFs		\$4,390.73	\$1.00
NET UNSETTLED PURCHASES/SALES		\$(53.07)	
CASH, BDP, AND MMFs (PROJECTED SETTLED BALANCE) 2.37%		\$4,337.66	

Bank Deposits are held at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member.

The "Projected Settled Balance" includes accrued interest on deposits and reflects the impact of unsettled purchases/sales.

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
BROOKFIELD ASSET MGMT CL A LTD (BAM)	4/19/11	114.000	\$21.413	\$31.530	\$2,441.08	\$3,594.42	\$1,153.34 LT	\$55.00	1.53

Next Dividend Payable 03/2016, Asset Class Equities

Account Detail

Portfolio Management Basic Securities Account

KENDRICK B MELROSE
FAMILY FOUNDATION
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	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	1.96%	\$2,441.08	\$3,594.42	\$1,153.34 LT	\$55.00	1.53%

EXCHANGE-TRADED & CLOSED-END FUNDS

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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
CONS DISCRET SEL SECT SPDR FD (DLY)	10/24/14	131 000	\$66.300	\$78.161	\$8,685.30	\$10,239.06	\$1,553.76 LT	\$146.00	1.42
<i>GIMA Status: AL, Next Dividend Payable 03/2016; Asset Class: Equities</i>									
GLOBAL X MLP ETF (MLPA)	12/30/15	578 000	9.896	10.390	5,719.95	6,005.42	285.47 ST	558.00	9.29
<i>Next Dividend Payable 02/2016; Asset Class: Alt</i>									
ISHARES CHINA LARGE CAP ETF (FXI)	11/2/12	96 000	37.550	35.290	3,604.80	3,387.84	(216.96) LT		
	2/23/15	98 000	43.050	35.290	4,218.89	3,458.42	(760.47) ST		
Total		194 000			7,823.69	6,846.26	(216.96) LT (760.47) ST	199.00	2.90
<i>Next Dividend Payable 06/2016; Asset Class: Equities</i>									
ISHARES MSCI JAPAN ETF (EWJ)	4/17/15	630 000	12.940	12.120	8,152.14	7,635.60	(516.54) ST		
	10/7/15	620 000	11.995	12.120	7,436.90	7,514.40	77.50 ST		
Total		1,250 000			15,589.04	15,150.00	(439.04) ST	191.00	1.26
<i>GIMA Status: AL, Next Dividend Payable 06/2016; Asset Class: Equities</i>									
ISHARES RUSSELL TOP 200 G ETF (IWM)	8/15/11	136 000	29.535	53.540	4,016.77	7,281.44	3,264.67 LT		
	8/16/11	13 000	29.471	53.540	383.12	696.02	312.90 LT		
	10/1/14	45 000	47.900	53.540	2,155.50	2,409.30	253.80 LT		
	10/8/15	29 000	50.950	53.540	1,477.55	1,552.66	75.11 ST		
Total		223 000			8,032.94	11,939.42	3,831.37 LT 75.11 ST	189.00	1.58
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
MARKET VECTORS OIL SERVICE (OIH)	12/30/15	283 000	26.530	26.450	7,507.85	7,485.35	(22.50) ST	179.00	2.39
<i>Next Dividend Payable 12/2016; Asset Class: Equities</i>									
SPDR S&P REGIONAL BANKING ETF (KRE)	5/12/15	190 000	41.730	41.920	7,928.68	7,964.80	36.12 ST		
	6/8/15	44 000	43.647	41.920	1,920.47	1,844.48	(75.99) ST		
Total		234 000			9,849.15	9,809.28	(39.87) ST	176.00	1.79
<i>GIMA Status: AL, Next Dividend Payable 03/2016; Asset Class: Equities</i>									

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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
VANGUARD DIVIDEND APPRECIATION (VIG)	9/28/11	102 000	49 200	77 760	5,018.37	7,931.52	2,913.15 LT	186.00	2.34
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
VANGUARD SMALL CAP ETF (VB)	12/8/14	76 000	115 824	110 640	8,802.64	8,408.64	(394.00) LT		
	1/30/15	58 000	115 200	110 640	6,681.60	6,417.12	(264.48) ST		
Total		134 000			15,484.24	14,825.76	(394.00) LT (264.48) ST	425.00	2.86
<i>GIMA Status: AL, Next Dividend Payable 03/2016; Asset Class: Equities</i>									
WISDOM TREE LG CAP DIV ETF (DLN)	3/2/12	111 000	52 030	71 140	5,775.33	7,896.54	2,121.21 LT	221.00	2.79
<i>GIMA Status: AL, Next Dividend Payable 01/2016; Asset Class: Equities</i>									
WISDOMTREE TRUST (INDIA) (EPI)	6/4/15	274 000	21.230	19 860	5,817.02	5,441.64	(375.38) ST	65.00	1.19
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
<hr/>									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	56.59%				\$95,302.88	\$103,570.25	\$9,808.53 LT (1,541.16) ST	\$2,535.00	2.45%

MUTUAL FUNDS

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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
INVESCO EUROPEAN GROWTH Y (AEDYX)	12/15/15	315 692	\$34 200	\$34 640	\$10,796.67	\$10,935.57	\$138.90 ST	—	—
<i>Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class: Equities</i>									
JP MORGAN US LG CP CR PLS SEL ULPSIQ	5/1/08	33 180	20 250	26 810	671.90	889.55	217.65 LT 1		
	5/9/08	344 728	20 010	26 810	6,898.00	9,242.15	2,344.15 LT 1		
	7/16/14	23 797	30 240	26 810	719.61	637.99	(81.62) LT		
Total		401 705			8,289.51	10,769.71	2,480.18 LT	25.00	0.23

Account Detail

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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
Total Purchases vs Market Value					8,289.51	10,769.71			
Cumulative Cash Distributions						4,679.03			
Net Value Increase/(Decrease)						7,159.23			
<i>Dividend Cash, Capital Gains Cash, Asset Class Alt</i>									
KINETICS PARADIGM Y INST (KNPYX)	2/17/10	314.699	19.530	31.300	6,146.07	9,850.08	3,704.01 LT		
	5/22/14	30.933	34.710	31.300	1,073.67	968.20	(105.47) LT		
	Total	345.632			7,219.74	10,818.28	3,598.54 LT		
Total Purchases vs Market Value					7,219.74	10,818.28			
Cumulative Cash Distributions						1,543.18			
Net Value Increase/(Decrease)						5,141.72			
<i>Dividend Cash, Capital Gains Cash, Asset Class Equities</i>									
LAZARD INTL STRAT EQ PTF INST (LISIX)	3/3/14	452.324	14.380	13.330	6,504.42	6,029.48	(474.94) LT		
	2/9/15	360.410	13.830	13.330	4,984.47	4,804.27	(180.20) ST		
	Purchases	812.734			11,488.89	10,833.75	(474.94) LT		
Long Term Reinvestments					23.818	335.39	(180.20) ST		
Short Term Reinvestments					9.805	129.23	(17.90) LT		
Total					846.357	11,953.51	1,47.00 ST	119.00	1.05
Total Purchases vs Market Value					11,488.89	11,281.94	(492.84) LT		
Net Value Increase/(Decrease)						(206.95)	(178.73) ST		
<i>GIMA Status: FL; Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class: Equities</i>									
MATTHEWS ASIAN JAPAN INV (MJFOX)	5/29/14	212.447	15.790	18.970	3,354.54	4,030.12	675.58 LT		
	8/15/14	272.206	16.830	18.970	4,581.23	5,163.74	582.51 LT		
	2/11/15	139.513	16.610	18.970	2,317.31	2,646.56	329.25 ST		
	3/19/15	206.627	18.210	18.970	3,762.67	3,919.71	157.04 ST		
	Purchases	830.793			14,015.75	15,760.13	1,258.09 LT		
Long Term Reinvestments					3.551	56.07	486.29 ST		
Total					834.344	14,071.82	67.36 LT		
Total Purchases vs Market Value					14,015.75	15,827.51	1,269.38 LT		
Net Value Increase/(Decrease)						1,811.76	486.29 ST		
<i>GIMA Status: FL; Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class: Equities</i>									
OAKMARK GLOBAL SELECT FUND I (OAKWX)	1/7/14	518.574	16.470	15.450	8,540.92	8,011.97	(528.95) LT		
	2/24/14	162.528	16.510	15.450	2,683.33	2,511.06	(172.27) LT		
	Purchases	681.102			11,224.25	10,523.03	(701.22) LT		

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Portfolio Management Basic Securities Account

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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
Long Term Reinvestments		47 072			754.55	727.26	(27.29) LT		
Short Term Reinvestments		40 865			629.72	631.36	1.64 ST		
Total		769 039			12,608.52	11,881.65	(728.51) LT 1.64 ST		
Total Purchases vs Market Value					11,224.25	11,881.65			
Net Value Increase/(Decrease)						657.40			

Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class Equities

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
MUTUAL FUNDS	39.08%	\$64,939.77	\$71,514.66	\$6,126.75 LT \$448.10 ST	\$144.00	0.20%

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		\$162,683.73	\$183,016.99	\$17,088.62 LT \$(1,093.06) ST	\$2,735.00 \$0.00	1.49%
TOTAL VALUE (includes accrued interest)	100.00%		\$183,016.99			



Account Detail

Fiduciary Services Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FF WHV INTL EQUITY
INTERESTED PARTY COPY

Investment Objectives †: Capital Appreciation, Income, Aggressive Income, Speculation

Investment Advisory Account
Manager: WHV INVESTMENT MANAGEMENT

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change

HOLDINGS

This section reflects positions purchased/sold on a trade date basis. "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price. Structured Investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories. When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e.g., Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest. For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period.

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
CASH	\$205.08			
MORGAN STANLEY PRIVATE BANK NA #	11,307.08	—	2.00	0.020
	Percentage of Holdings	Market Value	Est Ann Income	
CASH, BDP, AND MMF:	1.90%	\$11,512.16	\$2.00	

Bank Deposits are held at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member.

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
ALLEGION PUB LTD CO (ALLE)	11/21/08	236.000	\$6.398	\$65.920	\$1,509.97	\$15,557.12	\$14,047.15 LT	\$94.00	0.60
Next Dividend Payable 03/2016, Asset Class: Equities									
AXA ADS (AXAHT)	6/11/07	150.000	42.180	27.315	6,327.00	4,097.24	(2,229.76) LT 1		
	9/7/07	75.000	39.260	27.315	2,944.50	2,048.62	(895.88) LT 1		
	Total	225.000			9,271.50	6,145.87	(3,125.64) LT	194.00	3.15
Asset Class: Equities									

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KENDRICK B. MELROSE
FAMILY FOUNDATION
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Account Detail

Fiduciary Services Basic Securities Account

KENDRICK B. MELROSE
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INTERESTED PARTY COPY

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
CORE LABORATORIES N V (CLB)	6/11/07	120 000	45 420	108 740	5,450 40	13,048.80	7,598 40 LT 1	264 00	2 02
<i>Next Dividend Payable 02/2016; Asset Class: Equities</i>									
DIAGEO PLC SPON ADR NEW (DEO)	6/11/07	75 000	83 650	109 070	6,273 75	8,180.25	1,906 50 LT 1		
	9/7/07	50 000	85 760	109 070	4,288 00	5,453 50	1,165 50 LT 1		
	9/25/07	75 000	86 528	109 070	6,489 59	8 180 25	1 690 66 LT 1		
	Total	200 000			17,051.34	21,814.00	4,762 66 LT	683 00	3 13
<i>Next Dividend Payable 04/2016; Asset Class: Equities</i>									
EATON CORP PLC SHS (ETN)	12/3/12	329 000	49 069	52 040	16,143 62	17,121 16	977 54 LT R		
	9/23/13	65 000	67 390	52 040	4 380 35	3,382 60	(997 75) LT R		
	Total	394 000			20 523 97	20,503 76	(20 21) LT	867 00	4 22
<i>Next Dividend Payable 02/2016; Asset Class: Equities</i>									
ENSCO PLC CLASS A (ESV)	11/5/13	105 000	57 020	15 390	5,987 06	1,615 95	(4,371 11) LT		
	11/6/13	230 000	60 470	15 390	13 908 17	3,539 70	(10,368 47) LT		
	Total	335 000			19,895 23	5,155.65	(14,739 58) LT	201 00	3 89
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
ENSIGN ENERGY SERVICES ORD (ESVIF)	9/7/07	410 000	17 705	5.330	7,259 05	2,185.30	(5,073 75) LT 1	148 00	6 77
<i>Next Dividend Payable 01/06/16; Asset Class: Equities</i>									
FIBRIA CELULOSE SA-SPON ADR (FBR)	11/27/09	67 000	15 155	12 690	1,015 39	850.23	(165 16) LT	69 00	8 11
<i>Asset Class: Equities</i>									
FINNING INTL INC COM NEW (FINGF)	12/20/10	55 000	25 992	13 500	1,429 58	742.50	(687 08) LT	29 00	3 90
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
INGERSOLL-RAND PLC SHS (IR)	11/21/08	710 000	8 273	55 290	5 873 75	39,255 90	33,382 15 LT R	824 00	2 09
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
LYONDELLBASELL NV CL-A (LYB)	12/8/15	70 000	87 719	86 900	6,140 34	6,083 00	(57.34) ST	218 00	3 58
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
MANULIFE FINANCIAL CORP (MFC)	1/5/07	35 000	33 390	14 980	1,168 65	524.30	(644.35) LT 1		
	6/11/07	165 000	36 440	14 980	6,012 60	2 471 70	(3,540 90) LT 1		
	9/7/07	25 000	38 390	14 980	959 75	374 50	(585.25) LT 1		
	11/21/08	25 000	13.336	14 980	333 40	374 50	41 10 LT		
	Total	250 000			8,474 40	3,745.00	(4 729 40) LT	122 00	3 25
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
NABORS INDUSTRIES LTD NEW (NBR)	6/11/07	264 000	34 789	8 510	9 184 29	2,246 64	(6 937 65) LT 1		
	9/7/07	525 000	30 429	8 510	15,975 37	4 467 75	(11,507 62) LT 1		
	11/21/08	425 000	11 224	8 510	4,770.33	3,616 75	(1,153 58) LT		
	12/30/14	800 000	13 174	8 510	10,539 04	6,808 00	(3,731 04) LT		

Fiduciary Services Basic Securities Account

KENDRICK B MELROSE
FAMILY FOUNDATION
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Account Detail

Fiduciary Services Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
SCHLUMBERGER LTD (SLB)	1/5/07	110 000	59 250	69 750	6,517 50	7,672 50	1,155 00 LT 1		
	6/11/07	290 000	80 990	69 750	23,487 10	20,227 50	(3,259 60) LT 1		
Total		400 000			30,004 60	27,900 00	(2,104 60) LT	800 00	2 86
<i>Next Dividend Payable 01/08/16; Asset Class: Equities</i>									
SOUTH32 LTD ADR (SOUHY)	6/1/15	240 000	9 000	3 815	2 160 00	915 60	(1 244 40) ST		
<i>Asset Class: Equities</i>									
SUNCOR ENERGY INC NEW COM (SU)	9/7/07	340 000	45 450	25 800	15,453 00	8 772 00	(6,681 00) LT 1		
	9/10/07	10 000	45 228	25 800	452 28	258 00	(194 28) LT 1		
	11/21/08	710 000	15 298	25 800	10 861 58	18,318 00	7,456 42 LT		
Total		1,060 000			26,766 86	27,348 00	581 14 LT	888 00	3 24
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
TECK RESOURCES LTD (TCK)	6/11/07	140 000	43 940	3 860	6,151 60	540 40	(5,611 20) LT-1		
	9/7/07	100 000	40 480	3 860	4,048 00	386 00	(3,662 00) LT 1		
	9/19/07	10 000	40 490	3 860	404 90	38 60	(366 30) LT 1		
Total		250 000			10 604 50	965 00	(9,639 50) LT	18 00	1 86
<i>Next Dividend Payable 06/2016; Asset Class: Equities</i>									
TENARIS S.A. (TS)	6/11/07	425 000	47 670	23 800	20,259 75	10 115 00	(10,144 75) LT 1		
	9/7/07	175 000	45 360	23 800	7,938 00	4 165 00	(3,773 00) LT 1		
	11/21/08	185 000	17 184	23 800	3,179 04	4,403 00	1 223 96 LT		
	9/27/13	50 000	46 996	23 800	2,349 78	1,190 00	(1 159 78) LT		
Total		835 000			33,726 57	19,873 00	(13 853 57) LT	752 00	3 78
<i>Asset Class: Equities</i>									
UBS GROUP AG SHS (UBS)	11/21/08	820 000	9 319	19 370	7,641 42	15,883 40	8,241 98 LT	440 00	2 77
<i>Next Dividend Payable 09/2016; Asset Class: Equities</i>									
UNILEVER NV NY SH NEW (UN)	12/24/07	400 000	36 813	43 320	14 725 24	17,328 00	2,602 76 LT 1		
	12/19/12	65 000	38 690	43 320	2 514 83	2 815 80	300 97 LT		
Total		465 000			17 240 07	20,143 80	2,903 73 LT	545 00	2 70
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
VALE S.A. (VALE)	1/5/07	100 000	13 670	3 290	1 367 00	329 00	(1,038 00) LT 1		
	6/11/07	390 000	22 530	3 290	8,786 70	1,283 10	(7,503 60) LT 1		
	9/10/07	10 000	25 155	3 290	251 55	32 90	(218 65) LT 1		
	6/3/08	210 000	39 410	3 290	8,276 08	690 90	(7,585 18) LT 1		
	11/21/08	555 000	9 597	3 290	5,326 06	1 825 95	(3 500 11) LT		
Total		1,265 000			24 007 39	4,161 85	(19,845 54) LT	115 00	2 76
<i>Asset Class: Equities</i>									

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Account Detail

Fiduciary Services Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FF WHV INTL EQUITY
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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
WEATHERFORD INTL LTD (WFT)	1/5/07	240 000	18 595	8.390	4,462.80	2,013.60	(2,449.20) LT 1		
	6/11/07	760 000	27 130	8.390	20,618.80	6,376.40	(14,242.40) LT 1		
	11/21/08	750 000	9 879	8.390	7,408.88	6,292.50	(1,116.38) LT		
	10/2/13	700 000	15 965	8.390	11,175.22	5,873.00	(5,302.22) LT		
	3/25/15	585 000	12.318	8.390	7,206.09	4,908.15	(2,297.94) ST		
Total		3,035 000			50,871.79	25,463.65	(23,110.20) LT (2,297.94) ST		
<i>Asset Class: Equities</i>									
YARA INTL ASA SPONS ADR (YARIY)	11/21/08	55 000	12 700	42 880	698.50	2,358.40	1,659.90 LT	79.00	3.34
<i>Asset Class: Equities</i>									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	98.10%				\$616,125.49	\$593,799.47	\$(18,737.43) LT \$(3,588.60) ST	\$18,535.00	3.12%
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE					\$616,125.49	\$605,311.63	\$(18,737.43) LT \$(3,588.60) ST	\$18,537.00 \$0.00	3.06%

Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
Nickname: FF AG WEALTH ACCUM STRAT
INTERESTED PARTY COPY

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
BROOKFIELD ASSET MGMT CL A LTD (BAM)	4/19/11	4,032 000	\$21 413	\$31 530	\$86,336 95	\$127,128 96	\$40,792 01 LT	\$1,935 00	1 52
<i>Next Dividend Payable 03/2016, Asset Class: Equities</i>									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	2.19%				\$86,336.95	\$127,128.96	\$40,792.01 LT	\$1,935.00	1.52%

EXCHANGE-TRADED & CLOSED-END FUNDS

Global Investment Manager Analysis (GIMA) status codes (FL, AL or NL), may be shown for certain exchange-traded funds and are not guarantees of performance - Refer to "GIMA Status in Investment Advisory Programs" in the June or December statement for a description of these status codes.

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
CONS DISCRET SEL SECT SPDR FD (XLTY)	10/24/14	4,164 000	\$66 300	\$78 161	\$276,073 20	\$325 461 57	\$49,388 37 LT		
	4/17/15	40 000	75 287	78 161	3 011 49	3 126 43	114 94 ST		
Total		4,204 000			279,084 69	328,588 00	49,388.37 LT 114 94 ST	4,692 00	1 42
<i>GIMA Status: AL, Next Dividend Payable 03/2016, Asset Class: Equities</i>									
GLOBAL X MLP ETF (MLPA)	12/30/15	17,211 000	9 896	10.390	170,321 78	178,822.29	8 500 51 ST	16,609 00	9 28
<i>Next Dividend Payable 02/2016, Asset Class: Alt</i>									
ISHARES CHINA LARGE CAP ETF (FXI)	11/2/12	2,381 000	37 550	35 290	89,406 55	84,025 49	(5,381 06) LT		
	6/25/13	516 000	31 600	35 290	16,305 60	18,209 64	1,904 04 LT		
	2/23/15	2,515 000	43 050	35 290	108,270 50	88 754.35	(19,516 15) ST		
Total		5,412 000			213,982 65	190,989 48	(3,477 02) LT (19 516 15) ST	5,542 00	2 90
<i>Next Dividend Payable 06/2016, Asset Class: Equities</i>									
ISHARES MSCI JAPAN ETF (EWJ)	4/17/15	18,655 000	12 940	12 120	241,393 83	226 098 60	(15,295 23) ST		
	4/17/15	924 000	12 937	12 120	11,953 79	11,198 88	(754 91) ST		
	10/7/15	19 061 000	11 995	12 120	228,636 70	231,019.32	2,382 62 ST		
Total		38,640 000			481,984 32	468,316.80	(13 667 52) ST	5,912 00	1 26
<i>GIMA Status: AL, Next Dividend Payable 06/2016, Asset Class: Equities</i>									
ISHARES RUSSELL TOP 200 G ETF (IWM)	8/15/11	747 000	29 535	53 540	22,062 72	39,994 38	17,931 66 LT		
	8/16/11	4,250 000	29 471	53 540	125 249 63	227 545 00	102 295.37 LT		
	10/1/14	897 000	47 900	53 540	42,966.30	48,025.38	5,059 08 LT		

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Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
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Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
	4/17/15	200 000	51 911	53 540	10,382 12	10,708 00	325 88 ST		
	10/8/15	794 000	50 950	53 540	40,454 30	42,510 76	2,056 46 ST		
	Total	6,888 000			241,115 07	368,783.52	125,286 11 LT 2,382 34 ST	5,834 00	1 58
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
MARKET VECTORS OIL SERVICE (OIH)	12/30/15	8,777 000	26 530	26 450	232,849 42	232,151 65	(697 77) ST	5,556 00	2.39
<i>Next Dividend Payable 12/2016; Asset Class: Equities</i>									
SPDR S&P REGIONAL BANKING ETF (KRE)	5/12/15	6,057 000	41 730	41 920	252,758 00	253,909 44	1,151 44 ST		
	6/8/15	1,141 000	43 647	41 920	49,801 23	47,830 72	(1 970 51) ST		
	Total	7,198 000			302,559 23	301,740.16	(819 07) ST	5,427 00	1 79
<i>GIMA Status: AL; Next Dividend Payable 03/2016; Asset Class: Equities</i>									
VANGUARD DIVIDEND APPRECIATION (VIG)	9/28/11	2,946 000	49 200	77 760	144,942 32	229,080 96	84,138 64 LT		
	4/17/15	200 000	80 208	77 760	16,041 68	15 552 00	(489 68) ST		
	Total	3,146 000			160,984 00	244,632.96	84,138 64 LT (489 68) ST	5,723 00	2.33
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
VANGUARD SMALL CAP ETF (VB)	12/8/14	2,460 000	115 824	110 640	284,927 53	272,174 40	(12,753 13) LT		
	1/30/15	1,419 000	115 200	110 640	163,468 80	156,998 16	(6,470 64) ST		
	4/17/15	275 000	122 093	110 640	33 575 63	30,426 00	(3,149 63) ST		
	Total	4,154 000			481,971 96	459,598 56	(12,753.13) LT (9,620 27) ST	13,168 00	2 86
<i>GIMA Status: AL; Next Dividend Payable 03/2016; Asset Class: Equities</i>									
WISDOM TREE LG CAP DIV ETF (DLN)	3/2/12	3,342 000	52 030	71 140	173,884 26	237,749 88	63,865 62 LT		
	4/17/15	75 000	74 035	71 140	5,552 65	5,335 50	(217 15) ST		
	Total	3,417 000			179,436 91	243,085 38	63,865 62 LT (217 15) ST	6,807 00	2 80
<i>GIMA Status: AL; Next Dividend Payable 01/2016; Asset Class: Equities</i>									
WISDOMTREE TRUST INDIA (EPI)	6/4/15	8,961 000	21 230	19 860	190,242 03	177,965 48	(12,276 57) ST	2,133 00	1 19
<i>Next Dividend Payable 03/2016; Asset Class: Equities</i>									
	Percentage of Holdings				Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	54.94%				\$2,934,532.06	\$3,194,674 26	\$306,448 59 LT (46,306 39) ST	\$77,403.00	2.42%

Account Detail

Portfolio Management Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
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MUTUAL FUNDS

"Total Purchases vs. Market Value" is provided to assist you in comparing your "Total Purchases," excluding reinvested distributions, with the current value of the mutual fund positions in your account.

"Cumulative Cash Distributions" when shown, may reflect distributions on shares no longer held in the account. It may not reflect all distributions received in cash, due to but not limited to investments made prior to addition of this information on statements, securities transfers, timing of recent distributions, and certain adjustments made in your account.

"Net Value Increase/(Decrease)" reflects the difference between your total purchases, and the sum of the current value of the fund's shares, and cash distributions shown. This calculation is for informational purposes only and does not reflect your total unrealized gain or loss nor should it be used for tax purposes. Global Investment Manager Analysis (GIMA) status codes (FL, AL or NL), may be shown for certain mutual funds and are not guarantees of performance. Refer to "GIMA Status in Investment Advisory Programs" in the June or December statement for a description of these codes.

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
INVESCO EUROPEAN GROWTH Y (AEDYX)	12/15/15	10,035.201	\$34.200	\$34.640	\$343,203.86	\$347,619.36	\$4,415.50 ST	—	—
<i>Enrolled in MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class: Equities</i>									
JP MORGAN US LG CP CR PLS SEL (ULPSX)	7/24/08	8,373.154	18.260	26.810	152,893.79	224,484.26	71,590.47 LT 1	—	—
	1/6/10	951.615	18.580	26.810	17,681.00	25,512.80	7,831.80 LT	—	—
	1/21/10	146.335	18.280	26.810	2,675.00	3,923.24	1,248.24 LT	—	—
	4/17/15	3,092.871	29.880	26.810	92,415.00	82,919.87	(9,495.13) ST	—	—
Total		12,563.975			265,664.79	336,840.17	80,670.51 LT (9,495.13) ST	787.00	0.23
Total Purchases vs Market Value					265,664.79	336,840.17			
Cumulative Cash Distributions						108,123.02			
Net Value Increase/(Decrease)						179,298.40			
<i>Dividend Cash, Capital Gains Cash, Asset Class: All</i>									
KINETICS PARADIGM Y INST (KNPYX)	1/6/10	6,513.041	20.780	31.300	135,341.00	203,858.18	68,517.18 LT	—	—
	1/21/10	1,026.540	19.970	31.300	20,500.00	32,130.70	11,630.70 LT	—	—
	2/17/10	616.464	19.530	31.300	12,039.55	19,295.32	7,255.77 LT	—	—
	5/22/14	1,456.101	34.710	31.300	50,541.26	45,575.96	(4,965.30) LT	—	—
	4/17/15	706.522	36.490	31.300	25,781.00	22,114.13	(3,666.87) ST	—	—
Total		10,318.668			244,202.81	322,974.31	82,438.35 LT (3,666.87) ST	—	—
Total Purchases vs Market Value					244,202.81	322,974.31			
Cumulative Cash Distributions						30,053.61			
Net Value Increase/(Decrease)						108,825.11			
<i>Dividend Cash, Capital Gains Cash, Asset Class: Equities</i>									
LAZARD INTL STRAT EQ PTF INST (LISIX)	3/3/14	15,083.517	14.380	13.330	216,900.97	201,063.28	(15,837.69) LT	—	—
	2/9/15	8,839.313	13.830	13.330	122,247.70	117,828.04	(4,419.66) ST	—	—
	4/17/15	840.122	14.730	13.330	12,375.00	11,198.83	(1,176.17) ST	—	—
Purchases		24,762.952			351,523.67	330,090.15	(15,837.69) LT (5,995.83) ST	—	—

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CLIENT STATEMENT | For the Period December 1-31, 2015

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Account Detail

Portfolio Management Basic Securities Account

KENDRICK B MELROSE
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	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
MUTUAL FUNDS	38 25%	\$2,054,051.39	\$2,223,720.68	\$173,658.07 LT \$(3,988.83) ST	\$4,402.00	0.20%
	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		\$5,074,920.40	\$5,814,355.22	\$520,898.67 LT \$(50,295.22) ST	\$83,794.00 \$0.00	1.44%

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2015

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Account Detail

Basic Securities Account

KENDRICK B. MELROSE
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Investment Objectives †: Capital Appreciation, Income, Aggressive Income

Brokerage Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change

HOLDINGS

This section reflects positions purchased/sold on a trade date basis. "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price. Structured Investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories. When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e.g., Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest. For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period.

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY PRIVATE BANK NA #	\$3,613.14	—	\$1.00	0.020

	Percentage of Holdings	Market Value	Est Ann Income
CASH, BDP, AND MMFs	0.21%	\$3,613.14	\$1.00

Bank Deposits are held at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member

EXCHANGE-TRADED & CLOSED-END FUNDS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
TPG SPECIALTY LENDING INC (TSLX)	2/21/12	157.460	\$14.773	\$16.220	\$2,326.18	\$2,554.00	\$227.82 LT		
	3/29/12	1,980.660	14.772	16.220	29,259.05	32,126.30	2,867.25 LT		
	6/18/12	865.030	15.083	16.220	13,047.55	14,030.78	983.23 LT		
	12/21/12	2,310.070	15.122	16.220	34,932.30	37,469.33	2,537.03 LT		
	9/26/13	534.220	15.290	16.220	8,168.16	8,665.04	496.88 LT		
	1/15/14	953.880	15.350	16.220	14,642.12	15,471.93	829.81 LT		
	1/15/14	429.640	15.350	16.220	6,595.09	6,968.76	373.67 LT		
Total		7,230.960			108,970.45	117,286.17	8,315.69 LT	11,280.00	9.61

Next Dividend Payable 01/29/16, Asset Class: Equities

Account Detail

Basic Securities Account

KENDRICK B. MELROSE
FAMILY FOUNDATION
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	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	6.72%	\$108,970.45	\$117,286.17	\$8,315.69 LT	\$11,280.00	9.62%

MUTUAL FUNDS

"Total Purchases vs. Market Value" is provided to assist you in comparing your "Total Purchases," excluding reinvested distributions, with the current value of the mutual fund positions in your account.

"Cumulative Cash Distributions" when shown, may reflect distributions on shares no longer held in the account. It may not reflect all distributions received in cash, due to but not limited to investments made prior to addition of this information on statements, securities transfers, timing of recent distributions, and certain adjustments made in your account.

"Net Value Increase/(Decrease)" reflects the difference between your total purchases, and the sum of the current value of the fund's shares, and cash distributions shown. This calculation is for informational purposes only and does not reflect your total unrealized gain or loss nor should it be used for tax purposes.

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
ACAP STRATEGIC INTERVAL COMMON (XCAPX)	8/31/10	25,960.540	\$9.630	\$13.360	\$250,000.00	\$346,832.81	\$96,832.81 LT	—	—
Total Purchases vs Market Value					250,000.00	346,832.81			
Cumulative Cash Distributions						16,631.11			
Net Value Increase/(Decrease)						113,463.92			

Dividend Cash, Capital Gains Cash, Asset Class All

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
MUTUAL FUNDS	19.86%	\$250,000.00	\$346,832.81	\$96,832.81 LT	\$0.00	—

Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2015

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Account Detail

Basic Securities Account

KENDRICK B. MELROSE
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ALTERNATIVE INVESTMENTS

Your interests in Alternative Investments, which may have been purchased through us, may not be held here, and are not covered by SIPC. The information provided 1) is included solely as a service to you, and certain transactions may not be reported, 2) is derived from you or another external source for which we are not responsible, and may have been modified to take into consideration capital calls or distributions to the extent applicable; 3) may not reflect actual shares, share prices or values, 4) may include invested or distributed amounts in addition to a fair value estimate, and 5) should not be relied upon for tax reporting purposes. Alternative Investments are illiquid and may not be valued daily. The estimated valuation provided will be as of the most recent date available and will be included in summaries of your assets. Such valuation may not be the most recent provided by the fund in which you are invested. No representation is made that the valuation is a market value or that the interest could be liquidated at this value. We are not required to take any action with respect to your investment unless valid instructions are received from you in a timely manner. Some positions reflected on your statement may not represent interests in the fund, but rather redemption proceeds withheld by the issuer pending final valuations which are not subject to the investment performance of the fund and may or may not accrue interest for the length of the withholding. There are likely to be restrictions on redemptions, see applicable offering document. Positions with a security description ending in "CPV" represent contributions pending fund valuation inclusive of the activity, while those ending in "DPV" represent distributions or redemptions pending fund valuation inclusive of the activity. These positions should be viewed as a complement to the underlying position with the same description, to ensure a more comprehensive valuation. Information on those investments designated "(RPTG ONLY)" is limited to performance reporting only. No investment advice or research is provided.

For Hedge Funds: 1) "Commitment/Aggregate Investment" is equal to the total investment to date, 2) "Redemptions" are equal to any past redemptions/sales that were reported to us, 3) "Distributions" consist of proceeds distributed from the fund.

For Private Equity and Real Estate: 1) "Commitment" is equal to the obligation of an investor to provide funding to the Partnership from time to time in accordance with the Limited Partnership Agreement, 2) "Contributions to Date" is equal to the total investor funding to date, 3) "Distributions" consist of proceeds distributed from the fund.

MANAGED FUTURES

Security Description	Trade Date	Quantity	Unit Cost	Estimated NAV	Total Cost	Estimated Value	Unrealized Gain/(Loss)		Valuation Date
MF PREMIER BHM A	3/1/12	284.210	\$879.630	\$558.19	\$250,000.00	\$158,643.17	\$(91,356.83)	F	12/30/15
Asset Class: Alt									
MF ORION A	2/1/10	190.399	2,626.060	3,008.24	500,000.00	572,765.87	72,765.87	F	12/30/15
	6/1/13	2.005	0.000	3,008.24	0.01	6,031.52	6,031.51	F	
	Total	192.404			500,000.01	578,797.40	78,797.38		
Asset Class: Alt									
MANAGED FUTURES					\$750,000.01	\$737,440.57	\$(12,559.45)		

HEDGE FUNDS - SHARES

For Hedge Funds - Shares: 1) "Trade Date" may reflect the date on which the positions were transferred into the current account, 2) "Total Purchases vs. Estimated Value" is provided to assist you in comparing your "Total Purchases," excluding reinvested distributions, with the current value of the position, 3) "Net Value Increase/(Decrease)," which reflects the difference between your total purchases and the estimated value of the fund's shares, is for informational purposes and does not reflect your total unrealized gain or loss nor should it be used for tax purposes.

Security Description	Trade Date	Quantity	Unit Cost	Estimated NAV	Total Cost	Estimated Value	Unrealized Gain/(Loss)		Valuation Date
SKYBRIDGE MULTI-ADSR HF SER G	9/1/10	231.148	\$1,081.560	\$1,176.15	\$250,000.00	\$271,865.87	\$21,865.87	F	11/30/15
	Purchases	231.148			250,000.00	271,865.87	21,865.87		
Reinvestment	1/27/11	25.380	1,077.600	1,176.15	27,349.55	29,850.81	2,501.26	F	
Reinvestment	1/26/12	4.481	1,052.390	1,176.15	4,715.75	5,270.35	554.60	F	
Reinvestment	12/31/12	31.575	1,138.680	1,176.15	35,953.95	37,137.09	1,183.14	F	

Account Detail

Basic Securities Account

KENDRICK B. MELROSE
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Security Description	Trade Date	Quantity	Unit Cost	Estimated NAV	Total Cost	Estimated Value	Unrealized Gain/(Loss)	Valuation Date
Reinvestment	12/31/13	10.352	1,256.460	1,176.15	13,006.41	12,175.55	(830.86) F	
Reinvestment	12/31/14	21.026	1,219.750	1,176.15	25,646.60	24,729.83	(916.77) F	
Total		323.962			356,672.26	381,029.52	25,274.01 (916.77)	
Total Purchases vs Estimated Value					250,000.00	381,029.52		
Net Value Increase/(Decrease)						131,029.52		

Asset Class: Alt

PRIVATE EQUITY

Security Description	Commitment	Contributions to Date	Remaining Commitment	Distributions	Estimated Value	Est Value + Distributions	Valuation Date
NH CREDIT PTR II OFFSH	\$500,000.00	\$143,038.00	\$356,962.00	\$9,055.00	\$135,551.00	\$144,606.00	9/30/15
Asset Class: Alt							
NH CREDIT PTR II OFFSH CPV	0.00	0.00	0.00	0.00	28,540.00	—	11/9/15
Asset Class: Alt							
NH CREDIT PTR II OFFSH DPV	0.00	0.00	0.00	0.00	(3,714.00)	—	10/16/15
Asset Class: Alt							
PRIVATE EQUITY	\$500,000.00	\$143,038.00	\$356,962.00	\$9,055.00	\$160,377.00	\$144,606.00	

	Percentage of Holdings	Estimated Value
ALTERNATIVE INVESTMENTS	73.22%	\$1,278,847.09

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		\$1,465,642.72	\$1,746,579.21	\$117,863.06 LT \$(916.77) ST	\$11,281.00 \$0.00	0.65%
TOTAL VALUE (includes accrued interest)	100.00%		\$1,746,579.21			

2 - You, or a third party, have provided the transaction details for this position

F - You will receive a Schedule K-1, 1099, or such other documentation from the fund, for use in preparing your tax return

Unrealized Gain/(Loss) totals only reflect positions that have both cost basis and market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included