EXTENDED TO NOVEMBER 15, 2017

Form **990-PF** Department of the Treasury Internal Revenue Service

# Return of Private Foundation

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

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf.*

OMB No 1545-0052 **2016** Open to Public Inspection

For calendar year 2016 or tax year beginning , and ending

Name of foundation: MARILYNN AND JOHN HILL FOUNDATION, INC

A Employer identification number: 27-4405369

Number and street (or P O box number if mail is not delivered to street address): 2015 ALLANDALE PLANTATION ROAD — Room/suite:

B Telephone number: 843-377-0738

City or town, state or province, country, and ZIP or foreign postal code: WADMALAW ISLAND, SC 29487

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

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

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

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

I Fair market value of all assets at end of year (*from Part II, col (c), line 16*) ▶$ 4,895,478.

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

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

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

| | Line | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|---|---|---|---|---|---|
| Revenue | 1 Contributions, gifts, grants, etc., received | 800,000. | | N/A | |
| | 2 Check ▶ ☐ if the foundation is not required to attach Sch B | | | | |
| | 3 Interest on savings and temporary cash investments | 85. | 85. | | STATEMENT 1 |
| | 4 Dividends and interest from securities | 49,817. | 49,817. | | STATEMENT 2 |
| | 5a Gross rents | | | | |
| | b Net rental income or (loss) | | | | |
| | 6a Net gain or (loss) from sale of assets not on line 10 | 198,236. | | | |
| | b Gross sales price for all assets on line 6a 1,345,353. | | | | |
| | 7 Capital gain net income (from Part IV, line 2) | | 198,236. | | |
| | 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 | <42.> | <42.> | | STATEMENT 3 |
| | 12 **Total** Add lines 1 through 11 | 1,048,096. | 248,096. | | |
| 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 STMT 4 | 5,350. | 4,013. | | 1,337. |
| | c Other professional fees | | | | |
| | 17 Interest | | | | |
| | 18 Taxes STMT 5 | 193. | 193. | | 0. |
| | 19 Depreciation and depletion | | | | |
| | 20 Occupancy | | | | |
| | 21 Travel, conferences, and meetings | | | | |
| | 22 Printing and publications | | | | |
| | 23 Other expenses STMT 6 | 8,770. | 8,770. | | 0. |
| | 24 **Total operating and administrative expenses** Add lines 13 through 23 | 14,313. | 12,976. | | 1,337. |
| | 25 Contributions, gifts, grants paid | 93,000. | | | 93,000. |
| | 26 **Total expenses and disbursements.** Add lines 24 and 25 | 107,313. | 12,976. | | 94,337. |
| | 27 Subtract line 26 from line 12: | | | | |
| | a Excess of revenue over expenses and disbursements | 940,783. | | | |
| | b **Net investment income** (if negative, enter -0-) | | 235,120. | | |
| | c **Adjusted net income** (if negative, enter -0-) | | | N/A | |

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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 | 1,029,663. | 1,861,092. | 1,861,092. |
| | 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 8 | 2,940,550. | 2,595,913. | 3,034,386. |
| | c Investments - corporate bonds | | | |
| | 11 Investments - land, buildings, and equipment basis ▶ | | | |
| | Less accumulated depreciation ▶ | | | |
| | 12 Investments - mortgage loans | | | |
| | 13 Investments - other | | | |
| | 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) | 3,970,213. | 4,457,005. | 4,895,478. |
| **Liabilities** | 17 Accounts payable and accrued expenses | | | |
| | 18 Grants payable | | | |
| | 19 Deferred revenue | | | |
| | 20 Loans from officers, directors, trustees, and other disqualified persons | | | |
| | 21 Mortgages and other notes payable | | | |
| | 22 Other liabilities (describe ▶ ) | | | |
| | 23 **Total liabilities** (add lines 17 through 22) | 0. | 0. | |
| **Net Assets or Fund Balances** | **Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.** | | | |
| | 24 Unrestricted | | | |
| | 25 Temporarily restricted | | | |
| | 26 Permanently restricted | | | |
| | **Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.** | | | |
| | 27 Capital stock, trust principal, or current funds | 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 | 3,970,213. | 4,457,005. | |
| | 30 **Total net assets or fund balances** | 3,970,213. | 4,457,005. | |
| | 31 **Total liabilities and net assets/fund balances** | 3,970,213. | 4,457,005. | |

## 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 | 3,970,213. |
| 2 Enter amount from Part I, line 27a | 2 | 940,783. |
| 3 Other increases not included in line 2 (itemize) ▶ | 3 | 0. |
| 4 Add lines 1, 2, and 3 | 4 | 4,910,996. |
| 5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 7 | 5 | 453,991. |
| 6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30 | 6 | 4,457,005. |

## 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 | | | | |
| b | SEE ATTACHED STATEMENT | | | |
| 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 | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | 1,345,353. | | 1,147,117. | 198,236. |

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

| | (i) F.M.V. as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | (l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) |
|---|---|---|---|---|
| a | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | 198,236. |

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** 198,236.

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)) |
|---|---|---|---|
| 2015 | 419,097. | 3,933,334. | .106550 |
| 2014 | 416,328. | 3,582,859. | .116200 |
| 2013 | 16,047. | 2,091,296. | .007673 |
| 2012 | 5,750. | 259,537. | .022155 |
| 2011 | 0. | 8,208. | .000000 |

| | | | |
|---|---|---|---|
| 2 | **Total** of line 1, column (d) | 2 | .252578 |
| 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 | .050516 |
| 4 | Enter the net value of noncharitable-use assets for 2016 from Part X, line 5 | 4 | 4,135,082. |
| 5 | Multiply line 4 by line 3 | 5 | 208,888. |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 2,351. |
| 7 | Add lines 5 and 6 | 7 | 211,239. |
| 8 | Enter qualifying distributions from Part XII, line 4 | 8 | 94,337. |

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

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

| | | | | |
|---|---|---|---|---|
| 1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ **(attach copy of letter if necessary-see instructions)** | | | | |
| b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b | | | 1 | 4,702. |
| 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 | 4,702. |
| 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 | 4,702. |
| 6 Credits/Payments: | | | | |
| a 2016 estimated tax payments and 2015 overpayment credited to 2016 | 6a | 16,188. | | |
| 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 | 16,188. |
| 8 Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached | | | 8 | |
| 9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶ | | | 9 | |
| 10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶ | | | 10 | 11,486. |
| 11 Enter the amount of line 10 to be: **Credited to 2017 estimated tax** ▶ | | 11,486. **Refunded** ▶ | 11 | 0. |

## Part VII-A Statements Regarding Activities

| | | Yes | No |
|---|---|---|---|
| 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | 1a | | X |
| b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? | 1b | | X |
| *If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities* | | | |
| c Did the foundation file **Form 1120-POL** for this year? | 1c | | X |
| d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0. | | | |
| e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 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.* | 2 | | X |
| 3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes* | 3 | | X |
| 4a Did the foundation have unrelated business gross income of $1,000 or more during the year? | 4a | | X |
| b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A | 4b | | |
| 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T* | 5 | | X |
| 6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 6 | X | |
| 7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV* | 7 | X | |
| 8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ SC | | | |
| b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation* | 8b | X | |
| 9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? *If "Yes," complete Part XIV* | 9 | | X |
| 10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses | 10 | | X |

Form **990-PF** (2016)

623531 11-23-16

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

| | | | Yes | No |
|---|---|---|---|---|
| 11 | At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) | 11 | | X |
| 12 | Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) | 12 | | X |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? | 13 | X | |

Website address ▶ N/A

14 The books are in care of ▶ JOHN HILL Telephone no. ▶843-377-0738
Located at ▶2015 ALLANDALE PLANTATION RD, WADMALAW ISLAND, SC ZIP+4 ▶29487

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

| | | | Yes | No |
|---|---|---|---|---|
| 16 | At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? | 16 | | X |
| | See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ▶ | | | |

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

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

| | | | | Yes | No |
|---|---|---|---|---|---|
| 1a | During the year did the foundation (either directly or indirectly): | | | | |
| | (1) Engage in the sale or exchange, or leasing of property with a disqualified person? | ☐ Yes ☒ No | | | |
| | (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? | ☐ Yes ☒ No | | | |
| | (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? | ☐ Yes ☒ No | | | |
| | (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? | ☐ Yes ☒ No | | | |
| | (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? | ☐ Yes ☒ No | | | |
| | (6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) | ☐ Yes ☒ No | | | |
| b | If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? | N/A | 1b | | |
| | Organizations relying on a current notice regarding disaster assistance check here | ▶ ☐ | | | |
| c | Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016? | | 1c | | 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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? | ☐ Yes ☒ No | | | |
| | If "Yes," list the years ▶ ____, ____, ____, ____ | | | | |
| 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 | 2b | | |
| c | If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____ | | | | |
| 3a | Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? | ☐ Yes ☒ No | | | |
| b | If "Yes," did it have excess business holdings in 2016 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 2016.)* | N/A | 3b | | |
| 4a | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | | 4a | | 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 2016? | | 4b | | 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 **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? 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? **6b** No: X

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

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? 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 |
|---|---|---|---|---|
| MARILYNN WOOD HILL<br>2015 ALLANDALE PLANTATION ROAD<br>WADMALAW ISLAND, SC 29487-6905 | PRESIDENT<br>0.25 | 0. | 0. | 0. |
| JOHN A HILL<br>2015 ALLANDALE PLANTATION ROAD<br>WADMALAW ISLAND, SC 29487-6905 | VICE PRESIDENT/TREASURER<br>0.25 | 0. | 0. | 0. |
| NINA E STONE<br>2015 ALLANDALE PLANTATION ROAD<br>WADMALAW ISLAND, SC 29487-6905 | SECRETARY<br>0.25 | 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

Form **990-PF** (2016)

623551 11-23-16

**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 |
|---|---|---|
| NONE | | |
| | | |
| | | |
| | | |
| | | |
| **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. |

**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 | 3,024,257. |
| b | Average of monthly cash balances | | | 1b | 1,173,796. |
| c | Fair market value of all other assets | | | 1c | |
| d | **Total** (add lines 1a, b, and c) | | | 1d | 4,198,053. |
| 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 | 4,198,053. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) | | | 4 | 62,971. |
| 5 | **Net value of noncharitable-use assets**. Subtract line 4 from line 3. Enter here and on Part V, line 4 | | | 5 | 4,135,082. |
| 6 | **Minimum investment return**. Enter 5% of line 5 | | | 6 | 206,754. |

**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 | 206,754. |
| 2a | Tax on investment income for 2016 from Part VI, line 5 | 2a | 4,702. | | |
| b | Income tax for 2016. (This does not include the tax from Part VI.) | 2b | | | |
| c | Add lines 2a and 2b | | | 2c | 4,702. |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | | | 3 | 202,052. |
| 4 | Recoveries of amounts treated as qualifying distributions | | | 4 | 0. |
| 5 | Add lines 3 and 4 | | | 5 | 202,052. |
| 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 | 202,052. |

**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 | 94,337. |
| 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 | 94,337. |
| 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 | 94,337. |

**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 2015 | (c) 2015 | (d) 2016 |
|---|---|---|---|---|
| 1 Distributable amount for 2016 from Part XI, line 7 | | | | 202,052. |
| 2 Undistributed income, if any, as of the end of 2016 | | | | |
| a Enter amount for 2015 only | | | 0. | |
| b Total for prior years: ____, ____, ____ | | 0. | | |
| 3 Excess distributions carryover, if any, to 2016: | | | | |
| a From 2011 | | | | |
| b From 2012 | | | | |
| c From 2013 | | | | |
| d From 2014 196,812. | | | | |
| e From 2015 223,736. | | | | |
| f **Total** of lines 3a through e | 420,548. | | | |
| 4 Qualifying distributions for 2016 from Part XII, line 4: ▶ $ 94,337. | | | | |
| a Applied to 2015, but not more than line 2a | | | 0. | |
| b Applied to undistributed income of prior years (Election required - see instructions) | | 0. | | |
| c Treated as distributions out of corpus (Election required - see instructions) | 0. | | | |
| d Applied to 2016 distributable amount | | | | 94,337. |
| e Remaining amount distributed out of corpus | 0. | | | |
| 5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).) | 107,715. | | | 107,715. |
| 6 **Enter the net total of each column as indicated below:** | | | | |
| a Corpus Add lines 3f, 4c, and 4e Subtract line 5 | 312,833. | | | |
| 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 2015. Subtract line 4a from line 2a. Taxable amount - see instr. | | | 0. | |
| f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017 | | | | 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 2011 not applied on line 5 or line 7 | 0. | | | |
| 9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a | 312,833. | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2012 | | | | |
| b Excess from 2013 | | | | |
| c Excess from 2014 89,097. | | | | |
| d Excess from 2015 223,736. | | | | |
| e Excess from 2016 | | | | |

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

| | Tax year | Prior 3 years | | | |
|---|---|---|---|---|---|
| | (a) 2016 | (b) 2015 | (c) 2014 | (d) 2013 | (e) Total |
| 2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | | | | | |
| b 85% of line 2a | | | | | |
| c Qualifying distributions from Part XII, line 4 for each year listed | | | | | |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | | | | | |
| e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c | | | | | |
| 3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets | | | | | |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) | | | | | |
| b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed | | | | | |
| c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) | | | | | |
| (3) Largest amount of support from an exempt organization | | | | | |
| (4) Gross investment income | | | | | |

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines:

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

**Part XV Supplementary Information** (continued)

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

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| *a Paid during the year* | | | | |
| COLLEGE OF CHARLESTON - SCHOOL OF ARTS<br>66 GEORGE STREET<br>CHARLESTON, SC 29424 | NONE | PC | GENERAL PURPOSES | 13,000. |
| CONCORDIA COLLEGE<br>171 WHITE PLAINS RD<br>BRONXVILLE, NY 10708 | NONE | PC | GENERAL PURPOSES | 15,000. |
| DRAYTON HALL<br>3380 ASHLEY RIVER DRIVE<br>CHARLESTON, SC 29414 | NONE | PC | GENERAL PURPOSES | 50,000. |
| NATIONAL ARCHIVES FOUNDATION<br>700 PENNSYLVANIA AVENUE NW<br>WASHINGTON, DC 20408 | NONE | PC | GENERAL PURPOSES | 15,000. |
| **Total** | | | ▶ 3a | 93,000. |
| *b Approved for future payment*<br>NONE | | | | |
| **Total** | | | ▶ 3b | 0. |

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

| Enter gross amounts unless otherwise indicated. | Unrelated business income (a) Business code | Unrelated business income (b) Amount | Excluded by section 512, 513, or 514 (c) Exclusion code | Excluded by section 512, 513, or 514 (d) Amount | (e) Related or exempt function income |
|---|---|---|---|---|---|
| 1 Program service revenue: | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| f | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments | | | | | |
| 3 Interest on savings and temporary cash investments | | | 14 | 85. | |
| 4 Dividends and interest from securities | | | 14 | 49,817. | |
| 5 Net rental income or (loss) from real estate: | | | | | |
| a Debt-financed property | | | | | |
| b Not debt-financed property | | | | | |
| 6 Net rental income or (loss) from personal property | | | | | |
| 7 Other investment income | | | 14 | <42.> | |
| 8 Gain or (loss) from sales of assets other than inventory | | | 18 | 198,236. | |
| 9 Net income or (loss) from special events | | | | | |
| 10 Gross profit or (loss) from sales of inventory | | | | | |
| 11 Other revenue: | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 12 Subtotal Add columns (b), (d), and (e) | | 0. | | 248,096. | 0. |
| 13 Total. Add line 12, columns (b), (d), and (e) | | | | 13 | 248,096. |

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

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

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

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

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | | |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of: | | | |
| | (1) Cash | 1a(1) | | X |
| | (2) Other assets | 1a(2) | | X |
| b | Other transactions: | | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | X |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | | X |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | | X |
| | (4) Reimbursement arrangements | 1b(4) | | X |
| | (5) Loans or loan guarantees | 1b(5) | | X |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | X |

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

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

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

b If "Yes," complete the following schedule.

| (a) Name of organization | (b) Type of organization | (c) Description of relationship |
|---|---|---|
| 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: [signature] Date: 6-20-2017 Title: PRESIDENT

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

**Paid Preparer Use Only**

| Print/Type preparer's name | Preparer's signature | Date | Check ☐ if self-employed | PTIN |
|---|---|---|---|---|
| LAURENCE GREEN | [signature] | 6/15/17 | | P00055868 |
| Firm's name ▶ MARKS PANETH LLP | | | Firm's EIN ▶ 11-3518842 | |
| Firm's address ▶ 4 MANHATTANVILLE ROAD PURCHASE, NY 10577 | | | Phone no. 914-524-9000 | |

**Schedule B**
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

# Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at *www.irs.gov/form990* .

OMB No 1545-0047

**2016**

| Name of the organization | Employer identification number |
|---|---|
| MARILYNN AND JOHN HILL FOUNDATION, INC | 27-4405369 |

**Organization type** (check one).

| **Filers of:** | **Section:** |
|---|---|
| Form 990 or 990-EZ | [ ] 501(c)( ) (enter number) organization |
| | [ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation |
| | [ ] 527 political organization |
| Form 990-PF | [X] 501(c)(3) exempt private foundation |
| | [ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation |
| | [ ] 501(c)(3) taxable private foundation |

Check if your organization is covered by the **General Rule** or a **Special Rule.**
**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions.

**General Rule**

[X] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor Complete Parts I and II See instructions for determining a contributor's total contributions

**Special Rules**

[ ] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II.

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III

[ ] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc , purposes, but no such contributions totaled more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling $5,000 or more during the year ▶ $ ____________

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

| Name of organization | Employer identification number |
|---|---|
| MARILYNN AND JOHN HILL FOUNDATION, INC | 27-4405369 |

**Part I** **Contributors** (See instructions) Use duplicate copies of Part I if additional space is needed.

| (a) No. | (b) Name, address, and ZIP + 4 | (c) Total contributions | (d) Type of contribution |
|---|---|---|---|
| 1 | JOHN & MARILYNN HILL<br>2015 ALLANDALE PLANTATION ROAD<br>WADMALAW ISLAND, SC 29487 | $ 800,000. | Person [X]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II for noncash contributions ) |
| 2 | | $ | Person [X]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II for noncash contributions ) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II for noncash contributions ) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II for noncash contributions.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II for noncash contributions ) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II for noncash contributions.) |

**Name of organization**

MARILYNN AND JOHN HILL FOUNDATION, INC

**Employer identification number**

27-4405369

## Part II Noncash Property (See instructions) Use duplicate copies of Part II if additional space is needed

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

Name of organization: MARILYNN AND JOHN HILL FOUNDATION, INC

Employer identification number: 27-4405369

**Part III** *Exclusively* religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc , contributions of $1,000 or less for the year (Enter this info once) ▶ $

Use duplicate copies of Part III if additional space is needed

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

| SOURCE | (A) REVENUE PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME |
|---|---|---|---|
| MORGAN STANLEY | 12. | 12. | |
| NATIONAL FINANCIAL-FIDELITY | 73. | 73. | |
| TOTAL TO PART I, LINE 3 | 85. | 85. | |

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | (A) REVENUE PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME |
|---|---|---|---|---|---|
| MORGAN STANLEY | 33,188. | 750. | 32,438. | 32,438. | |
| NATIONAL FINANCIAL-FIDELITY | 17,379. | 0. | 17,379. | 17,379. | |
| TO PART I, LINE 4 | 50,567. | 750. | 49,817. | 49,817. | |

FORM 990-PF OTHER INCOME STATEMENT 3

| DESCRIPTION | (A) REVENUE PER BOOKS | (B) NET INVESTMENT INCOME | (C) ADJUSTED NET INCOME |
|---|---|---|---|
| K-1 OCH-ZIFF CAPITAL MGMT- OTHER INCOME/LOSS | <42.> | <42.> | |
| TOTAL TO FORM 990-PF, PART I, LINE 11 | <42.> | <42.> | |

| FORM 990-PF | ACCOUNTING FEES | | | STATEMENT 4 |
|---|---|---|---|---|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| ACCOUNTING FEES-MARKS PANETH LLP | 5,350. | 4,013. | | 1,337. |
| TO FORM 990-PF, PG 1, LN 16B | 5,350. | 4,013. | | 1,337. |

| FORM 990-PF | TAXES | | | STATEMENT 5 |
|---|---|---|---|---|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| FOREIGN TAXES WITHHELD ON DIVIDENDS | 193. | 193. | | 0. |
| TO FORM 990-PF, PG 1, LN 18 | 193. | 193. | | 0. |

| FORM 990-PF | OTHER EXPENSES | | | STATEMENT 6 |
|---|---|---|---|---|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| INVESTMENT ADVISORY FEES - MORGAN STANLEY | 8,770. | 8,770. | | 0. |
| TO FORM 990-PF, PG 1, LN 23 | 8,770. | 8,770. | | 0. |

| FORM 990-PF OTHER DECREASES IN NET ASSETS OR FUND BALANCES | STATEMENT 7 |
|---|---|
| DESCRIPTION | AMOUNT |
| BOOK/TAX DIFFERENCE- GAIN ON SECURITY SALE | 453,991. |
| TOTAL TO FORM 990-PF, PART III, LINE 5 | 453,991. |

FORM 990-PF CORPORATE STOCK STATEMENT 8

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|---|---|
| NATIONAL FINANCIAL - FIDELITY -SEE STATEMENT D | 1,370,803. | 1,631,047. |
| MORGAN STANLEY - SEE STATEMENT E | 1,100,110. | 1,247,089. |
| QYLUR SECURITIES SYSTEMS INC | 125,000. | 156,250. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 2,595,913. | 3,034,386. |

**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 | MORGAN STANLEY - SEE STMT ATTACHED | P | VARIOUS | 12/31/16 |
| b | MORGAN STANLEY - SEE STMT ATTACHED | P | VARIOUS | 12/31/16 |
| c | ALCOA CORP - CASH IN LIEU | P | 02/11/09 | 11/04/16 |
| d | ALCOA CORP - CASH IN LIEU | P | 02/11/09 | 10/06/16 |
| e | 300 SHS SPDR S&P 500 ETF | D | 04/12/10 | 01/20/16 |
| f | 950 SHS SPDR S&P 500 ETF | D | 04/12/10 | 01/20/16 |
| g | 1,463 SHS SPDR S&P 500 ETF | D | 04/16/10 | 01/20/16 |
| h | 731 SHS SPDR S&P 500 ETF | D | 04/16/10 | 01/20/16 |
| i | 372 SHS OCH-ZIFF CAPITAL MGMT | P | 08/07/14 | 04/12/16 |
| j | 624 SHS OCH-ZIFF CAPITAL MGMT | P | 08/26/14 | 04/12/16 |
| k | OCH-ZIFF CAPTAL MGMT - ADJUSTMENT TO GAIN | P | 08/07/14 | 04/12/16 |
| l | OCH-ZIFF CAPTAL MGMT - ADJUSTMENT TO GAIN | P | 08/26/14 | 04/12/16 |
| m | ADJUSTMENT TO GAIN - BASIS ADJUSTMENTS | P | VARIOUS | 12/31/16 |
| n | CAPITAL GAINS DIVIDENDS | | | |
| o | | | | |

| | (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 | 346,526. | | 356,577. | <10,051.> |
| b | 364,494. | | 363,328. | 1,166. |
| c | 8. | | 7. | 1. |
| d | 11. | | 8. | 3. |
| e | 54,846. | | 35,945. | 18,901. |
| f | 173,710. | | 113,826. | 59,884. |
| g | 267,514. | | 174,527. | 92,987. |
| h | 133,666. | | 87,193. | 46,473. |
| i | 1,219. | | 4,782. | <3,563.> |
| j | 2,045. | | 7,510. | <5,465.> |
| k | 250. | | | 250. |
| l | 314. | | | 314. |
| m | | | 3,414. | <3,414.> |
| n | 750. | | | 750. |
| o | | | | |

| | Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | (l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-") |
|---|---|---|---|---|
| | (i) F.M.V. as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | |
| a | | | | <10,051.> |
| b | | | | 1,166. |
| c | | | | 1. |
| d | | | | 3. |
| e | | | | 18,901. |
| f | | | | 59,884. |
| g | | | | 92,987. |
| h | | | | 46,473. |
| i | | | | <3,563.> |
| j | | | | <5,465.> |
| k | | | | 250. |
| l | | | | 314. |
| m | | | | <3,414.> |
| n | | | | 750. |
| o | | | | |

| | | | |
|---|---|---|---|
| 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 | 198,236. |
| 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 |

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STMT D - PG 2 OF 2



## Holdings

**Account # 648-634670**
**CORPORATION**

### Stocks (continued)

| Description | Beginning Market Value Dec 1, 2016 | Quantity Dec 31, 2016 | Price Per Unit Dec 31, 2016 | Ending Market Value Dec 31, 2016 | Total Cost Basis | Unrealized Gain/Loss Dec 31, 2016 | EAI ($) / EY (%) |
|---|---|---|---|---|---|---|---|
| **Common Stock** (continued) | | | | | | | |
| **ARCONIC INC COM**(ARNC) | 123,102 80 | 6,385.000 | 18 5400 | 118,377 90 | 107,652.96c | 10,724 94 | 2,298 60<br>1 940 |
| **CLEARBRIDGE ENERGY MLP TR FD COM** (CTR) | 390,936 00 | 31,200 000 | 12 7800 | 398,736.00 | 303,027 83 | 95,708 17 | -<br>- |
| Total Common Stock (17% of account holdings) | $575,686 96 | | | $576,868.14 | $454,296 56 | $122,571 58 | $2,298 60 |
| **Total Stocks (17% of account holdings)** | **$575,686.96** | | | **$576,868.14** | **$454,296.56** | **$122,571.58** | **$2,298.60** |
| **Total Holdings** | | | | **$3,464,858.45** | **$1,400,847.67** | **$230,198.93** | **$2,890.49** |
| | | | | (1,833,811.85) CASH | (30,044.00) NON-DIVIDEND DISTRIBUTIONS | | |
| | | | | 1,631,046.60 | 1,370,803.67 | | |

*All remaining positions held in cash account.*

EAI & EY *__Estimated Annual Income (EAI) & Estimated Yield (EY)__- EAI is an estimate of annual income for a specific security position over the ~~next rolling~~ 12 months EY is calculated by dividing the current EAI for a security position by its statement closing date market value EY reflects only the income generated by an investment, it does not reflect changes in its price, which may fluctuate For certain types of securities, EAI and EY could include the return of principal or capital gains which would render them overstated EAI and EY are estimates provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions There is no guarantee that your investments will actually generate the EAI or EY presented Actual income and yield might be higher or lower EAI and EY should not be confused with a security's 30-day Yield or 7-day Yield, if provided, as such yield quotations reflect the actual historical performance of a security __For additional information, including calculation details, refer to the "Additional Information and Endnotes" section at the end of your statement.__*

*Total Cost Basis does not include the cost basis on core, money market or other positions where cost basis is unknown or not applicable*

c *Cost basis information (or proceeds from short sales) has been provided by you and has not been adjusted except as otherwise indicated When positions are transferred between accounts, in certain cases, cost basis information may be automatically transferred and deemed to be customer-provided*

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STMT E - PG 1 OF 5

Morgan Stanley



Account Detail

Portfolio Management Active Assets Account 476-096191-293

MARILYNN & JOHN HILL FNDN INC. C/O JOHN A HILL &

**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 BANK N.A. #** | **$25,260.78** | — | $3.00 | 0.010 |

| | Percentage of Holdings | Market Value | Est Ann Income |
|---|---|---|---|
| **CASH, BDP, AND MMFs** | **2.03%** | **$25,260.78** | **$3.00** |

*# 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 | Quantity | Share Price | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|---|
| **ALPHABET INC CL C (GOOG)**<br>*Asset Class Equities* | 46 000 | $771.820 | $29,571.98 | **$35,503.72** | $5,931.74 | — | — |
| **AMAZON COM INC (AMZN)**<br>*Asset Class. Equities* | 32 000 | 749.870 | 22,731.81 | **23,995.84** | 1,264.03 | — | — |
| **CROWN CASTLE INTL CORP (CCI)**<br>*Next Dividend Payable 03/2017; Asset Class: Alt* | 591.000 | 86.770 | 53,157.60 | **51,281.07** | (1,876.53) | 2,246.00 | 4.37 |
| **DANAHER CORPORATION (DHR)**<br>*Next Dividend Payable 01/27/17, Asset Class: Equities* | 297.000 | 77.840 | 15,639 31 | **23,118.48** | 7,479 17 | 149.00 | 0.64 |
| **FRESHPET INC (FRPT)** | 1,397.000 | 10.150 | 11,789.34 | **14,179.55** | 2,390.21 | — | — |

STMT E - PG. 2 OF 5



## Account Detail

**Portfolio Management Active Assets Account 476-096191-293**
**MARILYNN & JOHN HILL FNDN INC. C/O JOHN A HILL &**

| Security Description | Quantity | Share Price | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|---|
| *Asset Class: Equities* | | | | | | | |
| **GTT COMMUNICATIONS INC (GTT)** | 453.000 | 28.750 | 9,549.35 | **13,023.75** | 3,474.40 | — | — |
| *Asset Class Equities* | | | | | | | |
| **HONEYWELL INTERNATIONAL INC (HON)** | 359.000 | 115.850 | 34,381.43 | **41,590.15** | 7,208 72 | 955 00 | 2.29 |
| *Next Dividend Payable 03/2017, Asset Class Equities* | | | | | | | |
| **KAR AUCTION SVCS INC (KAR)** | 572.000 | 42.620 | 14,840.88 | **24,378.64** | 9,537.76 | 732.00 | 3.00 |
| *Next Dividend Payable 01/06/17; Asset Class Equities* | | | | | | | |
| **MEDTRONIC PLC SHS (MDT)** | 356.000 | 71.230 | 27,130.99 | **25,357.88** | (1,773.11) | 612.00 | 2.41 |
| *Next Dividend Payable 01/13/17, Asset Class Equities* | | | | | | | |
| **STARWOOD PROPERTY TRUST INC (STWD)** | 1,148 000 | 21.950 | 23,394.08 | **25,198.60** | 1,804.52 | 2,204.00 | 8.74 |
| *Next Dividend Payable 01/13/17, Asset Class Alt* | | | | | | | |
| **THERMO FISHER SCIENTIFIC (TMO)** | 176.000 | 141.100 | 22,617.63 | **24,833.60** | 2,215.97 | 106 00 | 0 42 |
| *Next Dividend Payable 01/16/17, Asset Class. Equities* | | | | | | | |
| **VISA INC CL A (V)** | 394.000 | 78.020 | 28,313.56 | **30,739.88** | 2,426.32 | 260.00 | 0.84 |
| *Next Dividend Payable 03/2017; Asset Class: Equities* | | | | | | | |
| **WALT DISNEY CO HLDG CO (DIS)** | 225.000 | 104 220 | 23,115.13 | **23,449.50** | 334 37 | 351.00 | 1 49 |
| *Next Dividend Payable 01/11/17, Asset Class Equities* | | | | | | | |
| **WELLS FARGO & CO NEW (WFC)** | 954.000 | 55.110 | 45,860.45 | **52,574.94** | 6,714.49 | 1,450.00 | 2.75 |
| *Next Dividend Payable 03/2017; Asset Class Equities* | | | | | | | |
| **YUM BRANDS INC (YUM)** | 279.000 | 63.330 | 15,551.82 | **17,669.07** | 2,117.25 | 335.00 | 1.89 |
| *Next Dividend Payable 02/2017; Asset Class Equities* | | | | | | | |

| | Percentage of Holdings | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|
| **STOCKS** | **34.23%** | **$377,645.36** | **$426,894.67** | **$49,249.31** | **$9,400.00** | **2.20%** |

## 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 | Quantity | Share Price | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|---|
| **ARES CAPITAL CORP (ARCC)** | 3,122.000 | $16.490 | $45,850 22 | **$51,481.78** | $5,631.56 | $4,745.00 | 9 21 |
| *Next Dividend Payable 03/2017, Asset Class FI & Pref* | | | | | | | |
| **AVENUE INCOME CREDIT (ACP)** | 1,539.000 | 13.431 | 25,659.35 | **20,670.30** | (4,989 05) | 2,216.00 | 10 72 |

STMT E - PG. 3 OF 5



## Account Detail

**Portfolio Management Active Assets Account 476-096191-293** **MARILYNN & JOHN HILL FNDN INC C/O JOHN A HILL &**

| Security Description | Quantity | Share Price | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|---|
| *Next Dividend Payable 01/17/17, Asset Class· FI & Pref* | | | | | | | |
| **BLACKROCK CORP HGH YLD FD INC (HYT)** | 2,273.000 | 10.830 | 22,426.88 | **24,616.59** | 2,189.71 | 1,909.00 | 7.75 |
| *Next Dividend Payable 01/09/17, Asset Class FI & Pref* | | | | | | | |
| **FIRST TRUST SENIOR LOAN FUND (FTSL)** | 506 000 | 48.550 | 24,484 33 | **24,566.30** | 81 97 | 908 00 | 3 69 |
| *Next Dividend Payable 01/2017, Asset Class FI & Pref* | | | | | | | |
| **ISHARES MSCI EAFE GRWTH ETF (EFG)** | 179.000 | 63.690 | 12,728.69 | **11,400.51** | (1,328.18) | 250.00 | 2.19 |
| *GIMA Status. AL; Next Dividend Payable 06/2017, Asset Class Equities* | | | | | | | |
| **ISHARES NASDAQ BIOTECH ETF (IBB)** | 88.000 | 265.380 | 22,234.06 | **23,353.44** | 1,119.38 | 43.00 | 0.18 |
| *GIMA Status. AL, Next Dividend Payable 03/2017; Asset Class: Equities* | | | | | | | |
| **ISHARES US OIL & GAS EXP PROD (IEO)** | 680 000 | 65.440 | 31,059.65 | **44,499.20** | 13,439 55 | 438.00 | 0.98 |
| *Next Dividend Payable 03/2017, Asset Class Alt* | | | | | | | |
| **PENNANTPARK FLTG RT CAP LTD (PFLT)** | 1,922 000 | 14 110 | 22,124 85 | **27,119.42** | 4,994.57 | 2,191.00 | 8.07 |
| *Next Dividend Payable 01/03/17, Asset Class. Equities* | | | | | | | |
| **PENNANTPARK INVESTMENT CORP (PNNT)** | 2,297.000 | 7.660 | 16,117.74 | **17,595.02** | 1,477.28 | 2,573.00 | 14 62 |
| *Next Dividend Payable 01/03/17, Asset Class. Equities* | | | | | | | |
| **POWERSHARES INTL BUYBACK (IPKW)** | 844 000 | 28.280 | 23,485 57 | **23,868.32** | 382.75 | 673.00 | 2 81 |
| *Next Dividend Payable 03/2017, Asset Class Equities* | | | | | | | |
| **PROSHARES TR S&P 500 DV ARIST (NOBL)** | 1,075.000 | 53.910 | 53,860 08 | **57,953.25** | 4,093 17 | 1,235.00 | 2.13 |
| *GIMA Status AL, Next Dividend Payable 03/2017, Asset Class Equities* | | | | | | | |
| **SOLAR CAPITAL LTD (SLRC)** | 1,187.000 | 20.820 | 22,904.66 | **24,713.34** | 1,808.68 | 1,899.00 | 7.68 |
| *Next Dividend Payable 01/04/17; Asset Class· Equities* | | | | | | | |
| **SPDR S&P MIDCAP 400 ETF TRUST (MDY)** | 132.000 | 301.730 | 32,243.14 | **39,828.36** | 7,585 22 | 520.00 | 1.30 |
| *GIMA Status AL, Next Dividend Payable 01/31/17, Asset Class Equities* | | | | | | | |
| **VANGUARD INFO TECH ETF (VGT)** | 319.000 | 121.500 | 27,990 33 | **38,758.50** | 10,768 17 | 508.00 | 1 31 |
| *GIMA Status AL, Next Dividend Payable 03/2017, Asset Class· Equities* | | | | | | | |
| **VANGUARD MID-CAP ETF INDEX (VO)** | 190.000 | 131.630 | 22,552 68 | **25,009.70** | 2,457.02 | 362.00 | 1.44 |
| *GIMA Status. AL, Next Dividend Payable 03/2017, Asset Class· Equities* | | | | | | | |
| **VANGUARD SMALL CAP ETF (VB)** | 305 000 | 128 960 | 33,963 53 | **39,332.80** | 5,369.27 | 589.00 | 1 49 |
| *GIMA Status· AL, Next Dividend Payable 03/2017; Asset Class· Equities* | | | | | | | |
| **WISDOM TREE MID CAP DIV (DON)** | 401.000 | 94 380 | 33,800 97 | **37,846.38** | 4,045.41 | 937.00 | 2.47 |
| *Next Dividend Payable 01/2017, Asset Class Equities* | | | | | | | |
| **WISDOM TREE SMALL CAP DIV FUND (DES)** | 500 000 | 82.720 | 31,142 60 | **41,360.00** | 10,217.40 | 1,116.00 | 2.69 |
| *Next Dividend Payable 01/2017; Asset Class Equities* | | | | | | | |
| **WISDOMTREE CBOE S&P 500 ETF (PUTW)** | 1,339.000 | 27.330 | 36,753.14 | **36,594.87** | (158.27) | — | — |

## Account Detail

Portfolio Management Active Assets Account 476-096191-293
MARILYNN & JOHN HILL FNDN INC.
C/O JOHN A HILL &

| Security Description | | Quantity | Share Price | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|---|---|
| *Next Dividend Payable 12/2017, Asset Class Alt* | | | | | | | | |
| **WISDOMTREE EURO SM CAP DIV ETF (DFE)** | | 678.000 | 54.620 | 35,058.24 | **37,032.36** | 1,974.12 | 1,500.00 | 4.05 |
| *Next Dividend Payable 03/2017; Asset Class Equities* | | | | | | | | |
| **WISDOMTREE TRUST MDCP EARN (EZM)** | | 371.000 | 102.670 | 33,381 81 | **38,090.57** | 4,708.76 | 591.00 | 1 55 |
| *Next Dividend Payable 03/2017, Asset Class Equities* | | | | | | | | |

| | Percentage of Holdings | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|
| **EXCHANGE-TRADED & CLOSED-END FUNDS** | **54.98%** | **$609,822.52** | **$685,691.01** | **$75,868.49** | **$25,203.00** | **3.68%** |

## 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 | | Quantity | Share Price | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|---|---|
| **AQR LONG-SHORT EQUITY (QLEIX)** | **Purchases** | 2,896.052 | $13.070 | $36,230.12 | **$37,851.40** | $1,621.28 | | |
| Reinvestments | | 87.261 | | 1,137 89 | 1,140.50 | 2.61 | | |
| | **Total** | 2,983.313 | | 37,368.01 | **38,991.90** | 1,623.89 | 725.00 | 1.85 |
| **Total Purchases vs Market Value** | | | | 36,230.12 | 38,991.90 | | | |
| **Net Value Increase/(Decrease)** | | | | | 2,761.78 | | | |
| *GIMA Status. AL, Dividend Cash, Capital Gains Cash, Asset Class. Alt* | | | | | | | | |
| **AQR MANAGED FUTURES STRATEGY I (AQMIX)** | **Purchases** | 2,360.180 | 9 320 | 24,475.07 | **21,996.88** | (2,478 19) | | |
| Reinvestments | | 0.410 | | 3.85 | 3.82 | (0.03) | | |
| | **Total** | 2,360.590 | | 24,478.92 | **22,000.70** | (2,478.22) | 4.00 | 0 01 |
| **Total Purchases vs Market Value** | | | | 24,475.07 | 22,000.70 | | | |
| **Net Value Increase/(Decrease)** | | | | | (2,474.37) | | | |
| *GIMA Status· FL, Dividend Cash, Capital Gains Cash; Asset Class: Alt* | | | | | | | | |
| **AQR STYLE PREMIA ALTERNATIVE I (QSPIX)** | **Purchases** | 2,443 522 | 9.920 | 24,777.18 | **24,239.74** | (537.44) | | |
| Reinvestments | | 42.522 | | 422.67 | 421 82 | (0.85) | | |
| | **Total** | 2,486.044 | | 25,199.85 | **24,661.56** | (538.29) | 430.00 | 1.74 |

STMT E - PG 5 OF 5

Morgan Stanley



# Account Detail

**Portfolio Management Active Assets Account**
**476-096191-293**

**MARILYNN & JOHN HILL FNDN INC.**
**C/O JOHN A HILL &**

| Security Description | Quantity | Share Price | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|---|
| **Total Purchases vs Market Value** | | | 24,777 18 | 24,661 56 | | | |
| **Net Value Increase/(Decrease)** | | | | (115.62) | | | |
| *GIMA Status AL; Dividend Cash, Capital Gains Cash; Asset Class: Alt* | | | | | | | |
| **VIRTUS INSIGHT EMERG MKTS I (HIEMX)** | 2,606.385 | 9.050 | 25,594.86 | **23,587.78** | (2,007.09) | 104.00 | 0.44 |
| **Total Purchases vs Market Value** | | | 25,594 86 | 23,587 78 | | | |
| **Cumulative Cash Distributions** | | | | 304 10 | | | |
| **Net Value Increase/(Decrease)** | | | | (1,702.98) | | | |
| *GIMA Status AL, Dividend Cash, Capital Gains Cash, Asset Class Equities* | | | | | | | |

| | Percentage of Holdings | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income | Current Yield % |
|---|---|---|---|---|---|---|
| **MUTUAL FUNDS** | **8.76%** | **$112,641.64** | **$109,241.94** | **$(3,399.71)** | **$1,263.00** | **1.16%** |

| | Percentage of Holdings | Total Cost | Market Value | Unrealized Gain/(Loss) | Est Ann Income / Accrued Interest | Current Yield % |
|---|---|---|---|---|---|---|
| TOTAL MARKET VALUE | | **$1,100,109.52** | **$1,247,088.40** | **$121,718.09** | **$35,869.00** / **$0.00** | **2.88%** |
| TOTAL VALUE (includes accrued interest) | **100.00%** | | **$1,247,088.40** | | | |

*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' or 'Pending Corporate Actions' are not included*

## ALLOCATION OF ASSETS

| | Cash | Equities | Fixed Income & Preferred Securities | Alternatives | Annuities & Insurance | Structured Investments | Other |
|---|---|---|---|---|---|---|---|
| Cash, BDP, MMFs | $25,260.78 | — | — | — | — | — | — |
| Stocks | — | $350,415.00 | — | $76,479.67 | — | — | — |
| ETFs & CEFs | — | 483,261.97 | $121,334.97 | 81,094.07 | — | — | — |
| Mutual Funds | — | 23,587.78 | — | 85,654.16 | — | — | — |
| **TOTAL ALLOCATION OF ASSETS** | **$25,260.78** | **$857,264.75** | **$121,334.97** | **$243,227.90** | — | — | — |