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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 instructions is at *www.irs.gov/form990pf*.

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016 , and ending 12-31-2016

Name of foundation
THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION
% FRIEDMAN & HUEY ASSOCIATES L

A Employer identification number
36-3486435

Number and street (or P O box number if mail is not delivered to street address) Room/suite
1313 W 175TH STREET

B Telephone number (see instructions)
(708) 799-6800

City or town, state or province, country, and ZIP or foreign postal code
HOMEWOOD, IL 60430

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)*▶$ 4,853,047

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

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

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	0			
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	149	149		
	4	Dividends and interest from securities	89,806	89,806		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	357,700			
	b	Gross sales price for all assets on line 6a 1,667,185				
	7	Capital gain net income (from Part IV, line 2)		357,700		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	59	59		
	12	**Total.** Add lines 1 through 11	447,714	447,714		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	8,000	4,000	0	4,000
	c	Other professional fees (attach schedule)	24,775	24,775		
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	12,076	2,076		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	140			140
	24	**Total operating and administrative expenses.** Add lines 13 through 23	44,991	30,851	0	4,140
	25	Contributions, gifts, grants paid	457,420			457,420
	26	**Total expenses and disbursements.** Add lines 24 and 25	502,411	30,851	0	461,560
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-54,697			
	b	**Net investment income** (if negative, enter -0-)		416,863		
	c	**Adjusted net income**(if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing	145,924	228,725	228,725
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	1,755,684	1,689,616	3,159,049
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,715,081	1,644,254	1,463,839
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	1,423	1,434	1,434
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	3,618,112	3,564,029	4,853,047
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities**(add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ 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	20,154	20,154	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	3,597,958	3,543,875	
	30	**Total net assets or fund balances** (see instructions)	3,618,112	3,564,029	
	31	**Total liabilities and net assets/fund balances** (see instructions)	3,618,112	3,564,029	

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	3,618,112
2	Enter amount from Part I, line 27a	2	-54,697
3	Other increases not included in line 2 (itemize) ▶	3	614
4	Add lines 1, 2, and 3	4	3,564,029
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,564,029

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)
1 a	PUBLICLY TRADED SECURITIES	P		
b	CAPITAL GAIN DIVIDENDS	P		
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	1,662,884		1,309,485	353,399
b				4,301
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(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				353,399
b				
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	357,700
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see 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	474,471	5,372,706	0 088311
2014	494,797	5,270,324	0 093884
2013	502,286	4,910,491	0 102288
2012	391,060	4,606,560	0 084892
2011	448,766	5,036,322	0 089106

2	**Total** of line 1, column (d)	2	0 458481
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 091696
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	4,857,165
5	Multiply line 4 by line 3	5	445,383
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,169
7	Add lines 5 and 6	7	449,552
8	Enter qualifying distributions from Part XII, line 4	8	461,560

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	4,169
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	
3	Add lines 1 and 2		3	4,169
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-		5	4,169
6	Credits/Payments			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a 8,343		
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	8,343
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	4,174
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 4,174	**Refunded** ▶	11	

Part VII-A Statements Regarding Activities

		Line	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		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*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		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		No
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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	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		No
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	Yes	
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ IL			
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	Yes	
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		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶

14 The books are in care of ▶FRIEDMAN & HUEY ASSOCIATES LLP Telephone no ▶(708) 799-6800

Located at ▶1313 W 175TH STREET HOMEWOOD IL ZIP+4 ▶60430

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

			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		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
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)?	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		No
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 ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ 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).*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ **Yes** ☑ **No**			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ **Yes** ☑ **No**			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ **Yes** ☑ **No**			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions). ☐ **Yes** ☑ **No**			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ **Yes** ☑ **No**			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ **Yes** ☐ **No** *If "Yes," attach the statement required by Regulations section 53 4945–5(d)*			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ **Yes** ☑ **No**			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? *If "Yes" to 6b, file Form 8870*	**6b**		**No**
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ **Yes** ☑ **No**			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
KATHLEEN B WALGREEN 1313 W 175TH STREET HOMEWOOD, IL 60430	PRESIDENT - PART TIME 0	0	0	0
EDWARD H KING 1313 W 175TH STREET HOMEWOOD, IL 60430	SECRETARY- PART TIME 0	0	0	0
PATRICIA DAMISCH 1313 W 175TH STREET HOMEWOOD, IL 60430	TREASURER-PART TIME 0	0	0	0

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

(a) Name and address of each employee paid more than $50,000	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances

Total number of other employees paid over $50,000. ▶

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

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

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
Total number of others receiving over $50,000 for professional services. . . . . ▶		

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions **3**	
Total. Add lines 1 through 3 . . . . ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities.		1a	4,607,368
b	Average of monthly cash balances.		1b	323,764
c	Fair market value of all other assets (see instructions).		1c	0
d	**Total** (add lines 1a, b, and c).		1d	4,931,132
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e		
2	Acquisition indebtedness applicable to line 1 assets.		2	0
3	Subtract line 2 from line 1d.		3	4,931,132
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).		4	73,967
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	4,857,165
6	**Minimum investment return.** Enter 5% of line 5.		6	242,858

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	242,858
2a	Tax on investment income for 2016 from Part VI, line 5.	2a 4,169		
b	Income tax for 2016 (This does not include the tax from Part VI).	2b		
c	Add lines 2a and 2b.		2c	4,169
3	Distributable amount before adjustments Subtract line 2c from line 1.		3	238,689
4	Recoveries of amounts treated as qualifying distributions.		4	
5	Add lines 3 and 4.		5	238,689
6	Deduction from distributable amount (see instructions).		6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.		7	238,689

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	461,560
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	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	0
b	Cash distribution test (attach the required schedule).	3b	0
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	461,560
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	4,169
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	457,391

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					238,689
2 Undistributed income, if any, as of the end of 2016					
a Enter amount for 2015 only.				0	
b Total for prior years 2014 , 2013 , 2012			0		
3 Excess distributions carryover, if any, to 2016					
a From 2011.	202,038				
b From 2012.	164,512				
c From 2013.	262,879				
d From 2014.	235,387				
e From 2015.	212,588				
f **Total** of lines 3a through e.		1,077,404			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 461,560					
a Applied to 2015, but not more than line 2a				0	
b Applied to undistributed income of prior years (Election required—see instructions).					
c Treated as distributions out of corpus (Election required—see instructions).					
d Applied to 2016 distributable amount.					238,689
e Remaining amount distributed out of corpus		222,871			
5 Excess distributions carryover applied to 2016 *(If an amount appears in column (d), the same amount must be shown in column (a))*					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		1,300,275			
b Prior years' undistributed income Subtract line 4b from line 2b			0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.					
d Subtract line 6c from line 6b Taxable amount —see instructions			0		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions				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)					
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)		202,038			
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a		1,098,237			
10 Analysis of line 9					
a Excess from 2012.	164,512				
b Excess from 2013.	262,879				
c Excess from 2014.	235,387				
d Excess from 2015.	212,588				
e Excess from 2016.	222,871				

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

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

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

	Tax year	Prior 3 years			(e) Total
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 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 organization 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))

CHARLES R WALGREEN III KATHLEEN B

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

FRIEDMAN HUEY ASSOCIATES LLP
1313 WEST 175TH STREET
HOMEWOOD, IL 60430
(708) 799-6800

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

LETTER ACCOMPANIED BY IRS TAX-EXEMPT LETTER STATING THE NATURE OF THE ORGANIZATION AND IF FOR A SPECIFIC PURPOSE, THE INTENDED USE OF THE FUNDS

c Any submission deadlines

SEPTEMBER 30TH

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

NO SCHOLARSHIPS TO INDIVIDUALS

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*				
SEE STATEMENT ATTACHED 1313 W 175TH STREET HOMEWOOD, IL 60430	NONE	PUBLIC	SEE STATEMENT ATTACHED	457,420
Total . . . . ▶ **3a**				457,420
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a MISCELLANEOUS					59
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	149	
4 Dividends and interest from securities			14	89,806	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	357,700	
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)				447,655	59

13 Total. Add line 12, columns (b), (d), and (e) 13 447,714

(See worksheet in line 13 instructions to verify calculations)

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

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

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

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

******	2017-05-15	******	May the IRS discuss this return with the preparer shown below (see instr)? ☑ **Yes** ☐ **No**
Signature of officer or trustee	Date	Title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
TERESA A GILLIAM				P00729469
Firm's name ▶ FRIEDMAN & HUEY ASSOC LLP				Firm's EIN ▶
Firm's address ▶ 1313 WEST 175TH STREET HOMEWOOD, IL 60430				Phone no (708) 799-6800

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TY 2016 Accounting Fees Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX PREP FEES	8,000	4,000		4,000

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2016 Depreciation Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

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TY 2016 Investments Corporate Stock Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CORPORATE STOCK	1,689,616	3,159,049

TY 2016 Investments - Other Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
BERNSTEIN FUND PORTFOLIOS	AT COST	1,644,254	1,463,839

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TY 2016 Other Assets Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
DIVIDENDS RECEIVABLE	1,423	1,434	1,434

TY 2016 Other Expenses Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FILING FEES	10			10
OFFICE SUPPLIES	130			130

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TY 2016 Other Income Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
SECURITY LITIGATION PROCEEDS	59	59	

TY 2016 Other Increases Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Description	Amount
OTHER INCREASES TO FUND BALANCE	614

TY 2016 Other Liabilities Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Description	Beginning of Year - Book Value	End of Year - Book Value
BROKER PAYABLE		

TY 2016 Other Professional Fees Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MGMT FEES-BERNSTEIN	24,775	24,775		

TY 2016 Taxes Schedule

Name: THE KATHLEEN B AND CHARLES R WALGREEN III FOUNDATION

EIN: 36-3486435

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES PAID	2,076	2,076		
EXCISE TAX	10,000			

THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION FOR THE YEAR ENDED DECEMBER 31, 2016 PART XV, LINE 3a - GRANTS PAID DURING THE YEAR	ALL CHARITIES: For general purposes P.C. No relationship	AMOUNT
Sage Patient Advocate 12515 Semillon Blvd San Diego, CA 92131-2205		25,000
Sailfish Point Foundation 1648 S E Sailfish Point Blvd Stuart, FL 34996		15,000
Catholic Charities Lake County 116 Lincoln Avenue Round Lake, IL 60073		500
Townsquare Players P O Box 513 Wodstock, IL 60098		450
Cancer Research Institute One Exchange Plaza 55 Broadway, Suite 1802 New York, NY 10006		1,000
Humane Society of the Treasure Coast 4100 SW Leighton Farm Ave Palm City, FL 34990		1,000
Mystic Aquarium 55 Coogan Blvd Mystic, CT 06355		5,000
Special Olympics Chicago 541 N Fairbanks Ct Chicago, IL 60611		500
Sisters of Mercy Missions Fund St Stanislaw Church 919 Norton Street Rochester, New York 14621		5,000
Tilton School 223 N Keeler Avenue Chicago, IL 60624		1,000

THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION FOR THE YEAR ENDED DECEMBER 31, 2016 PART XV, LINE 3a - GRANTS PAID DURING THE YEAR	ALL CHARITIES: For general purposes P.C. No relationship	AMOUNT
Sage Patient Advocate		25,000
Illinois Club for Catholic Women 820 N Michigan Avenue Chicago, IL 60611		50
Canterbury School 101 Aspetuck Avenue New Milford, Connecticut 06776		1,000
Martin Health Foundation P O Box 9010 Stuart, Florida 34995-9010		10,000
Family Service Center 1830 Techny Ct Northbrook, IL 60062		1,500
WTTW11 5400 St Louis Avenue Chicago, Illinois 60625		1,000
Guild of Saint Mary 175 E Illinois Road Lake Forest, IL 60045		20
Lake Forest County Day School 145 S Green Bay Road Lake Forest, IL 60045		1,000
100 Club of America 875 N Michigan Avenue, Suite 1351 Chicago, IL 60611		200
George W Bush Presidential Center 2943 SMU Boulevard Dallas, TX 75205		500
Salve Regina University 100 Ochre Point Avenue Newport, RI 02840		200,000

THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
FOR THE YEAR ENDED DECEMBER 31, 2016

PART XV, LINE 3a - GRANTS PAID DURING THE YEAR	ALL CHARITIES: For general purposes P.C. No relationship	AMOUNT
Sage Patient Advocate		25,000
Wounded Warrior Project 230 W Monroe, St#200 Chicago, IL 60606		500
A Safe Haven 2750 W Roosevelt Road Chicago, IL 60608		250
Martin Health Foundation 2135 SE Ocean Blvd Stuart, FL 34996		10,000
Portmouth Abbey School 285 Corys Lane Portmouth, RI 02871		1,000
United Way of Martin County 10 SE Central Pkwy #101 Stuart, FL 34994		5,000
Council on Aging of Martin County 900 SE Salerno Rd Stuart, FL 34997		1,000
CT Challenge 1300 Post Road Fairfield, CT 06824		1,000
All Saints Greek Orthodox Church 102 N Broadway St Joliet, IL 60435		500
Habitat for Humanity 315 N Martin Luther King Jr Avenue Waukegan, IL 60085		250
Congregation Agudath Shalom 301 Strawberry Hill Avenue Stamford, CT 06906		500

THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
FOR THE YEAR ENDED DECEMBER 31, 2016

PART XV, LINE 3a - GRANTS PAID DURING THE YEAR	**ALL CHARITIES:** For general purposes P.C. No relationship	**AMOUNT**
Sage Patient Advocate		25,000
Saint Katherine Drexel Church 8S055 Dugan Road Sugar Grove, IL 60554		5,000
Police Chaplains Ministry 1140 W Jackson Blvd Chicago, IL 60607		1,500
Saints Peter and Paul Greek Orthodox 1401 Wagner Road Glenview, IL 60025		2,500
DCH Foundation 950 Dr Edward Hillard Drive Tuscaloosa, AL 35401		1,000
626 Landmark Foundation 626 North Michigan Avenue Chicago, IL 60611		1,000
Gwen Knapp Center for Lupus & Immunology 5801 South Ellis Avenue Chicago, IL 60637		5,000
Lake Forest Open Lands Association 350 Waukegan Road Lake Forest, IL 60045		500
Florida Oceanographic Society 890 NE Ocean Blvd Stuart, FL 34996		1,000
St Patrich Church 991 S Waukegan Road Lake Forest, IL 60045		1,000
Sisters of Mercy 12009 221st Avenue Bristol, WI 53104		20,000

THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
FOR THE YEAR ENDED DECEMBER 31, 2016

PART XV, LINE 3a - GRANTS PAID DURING THE YEAR

	ALL CHARITIES: For general purposes P.C. No relationship	AMOUNT
Sage Patient Advocate		25,000
Delta Sigma Phi Foundation 2960 N Meridian Street Indianapolis, IN 46208		1,000
DCH Foundation 950 Dr Edward Hillard Drive Tuscaloosa, AL 35401		1,500
Illinois Club for Catholic Women 820 N Michigan Avenue Chicago, IL 60611		200
Salve Regina University 100 Ochre Point Avenue Newport, RI 02840		25,000
Our Lady of Mercy Pay It Forward Scholarship		6,000
School of Saint Mary 900 West Everet Road Lake Forest, IL 60045		1,000
Church of Saint Mary 201 E Illinois Road Lake Forest, IL 60045		25,000
Reading Power 736 N Western Avenue, #226 Lake Forest, IL 60045		500
Diocese of Palm Beach 9995 N Military Trail Palm Beach Gardens, FL 33418		1,000
Our Lady of Prayer Group c/o Fr Charles Becker P O Box 633 Wauconda, IL 60084		500

THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
FOR THE YEAR ENDED DECEMBER 31, 2016

PART XV, LINE 3a - GRANTS PAID DURING THE YEAR

	ALL CHARITIES: For general purposes P.C. No relationship	AMOUNT
Sage Patient Advocate		25,000
Boys and Girls Clubs of Martin County 11500 SE Lares Avenue Hobe Sound, FL 33455		1,000
Misericordia 6300 N Ridge Avenue Chicago, IL 60660		1,000
Huggins Hospital 240 S Main Street Wolfeboro, NH 03894		5,000
Northwestern Lake Forest Hospital 660 N Westmoreland Road Lake Forest, IL 60045		10,000
The Childrens Museum of the Treasure Coast 1707 NE Inidan River Drive Jensen Beach, FL 34957		500
Evans Scholars Foundation One Briar Road Golf, IL 60029		1,000
Loyola University 1032 W Sheridan Road Chicago, IL 60660		50,000
Void prev year outstanding check to George Busch Presidential Center		(500)
Void prev year outstanding check to George Busch Presidential Center		(500)
		457,420

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (888-13873)

As of December 30, 2016

This report contains data for all accounts that were open as of the period ending date you selected: account 888-13873 (comprised of accounts 037-84832 and 037-87141).

Managed Assets

Cash Balances

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
Cash											
CASH											
62,385 01	CASH		$1 00	$1 00	$62,385	$62,385	$0	$349	0 6%	1 3%	100 0%
TOTAL Cash					**$62,385**	**$62,385**	**$0**	**$349**	**0.6%**	**1.3%**	**100.0%**
TOTAL Cash Balances					**$62,385**	**$62,385**	**$0**	**$349**	**0.6%**	**1.3%**	**100.0%**

Bonds[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
Mutual Funds											
TAXABLE FUND											
51,378 13	BERNSTEIN INTERMEDIATE DURATION PORTFOLIO [1]	SNIDX	$13 52	$13 04	$694,562	$669,971 AI $542	($24,591)	$14,173	1 8%	14 3%	100 0%
TOTAL Mutual Funds					**$694,562**	**$670,512**	**($24,591)**	**$14,173**	**1.8%**	**14.3%**	**100.0%**
TOTAL Bonds					**$694,562**	**$670,512**	**($24,591)**	**$14,173**	**1.8%**	**14.3%**	**100.0%**

Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
Capital Equipment											
AEROSPACE-DEFENSE											
212	L-3 COMMUNICATIONS HOLDINGS COMMON STOCK	LLL	$119 75	$152 11	$25,387	$32,247	$6,860	$594	1 8%	0 7%	1 2%
AUTO TRUCKS - PARTS											
143	LEAR CORP	LEA	$70 32	$132 37	$10,056	$18,929	$8,873	$172	0 9%	0 4%	0 7%
172	OSHKOSH CORP	OSK	$54 65	$64 61	$9,399	$11,113	$1,714	$144	1 3%	0 2%	0 4%

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (888-13873)
As of December 30, 2016

Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
TOTAL					**$19,455**	**$30,042**	**$10,587**	**$316**	**1.1%**	**0.6%**	**1.1%**
DEFENSE											
109	HEXCEL CORP	HXL	$44 34	$51 44	$4,833	$5,607	$774	$48	0 9%	0 1%	0 2%
ELECTRICAL EQUIPMENT											
17	ACUITY BRANDS INC	AYI	$160 36	$230 86	$2,726	$3,925	$1,199	$9	0 2%	0 1%	0 1%
116	SMITH (A O) CORP	AOS	$32 08	$47 35	$3,722	$5,493	$1,771	$56	1 0%	0 1%	0 2%
33	WABCO HOLDINGS INC	WBC	$99 27	$106 15	$3,276	$3,503	$227	$0	0 0%	0 1%	0 1%
TOTAL					**$9,724**	**$12,920**	**$3,196**	**$65**	**0.5%**	**0.3%**	**0.5%**
MACHINERY											
97	ALLEGION PLC	ALLE	$66 04	$64 00	$6,406	$6,208	($198)	$47	0 8%	0 1%	0 2%
403	EATON CORP PLC	ETN	$58 28	$67 09	$23,485	$27,037	$3,552	$919	3 4%	0 6%	1 0%
36	IDEX CORP	IEX	$88 30	$90 06	$3,179	$3,242	$63	$49	1 5%	0 1%	0 1%
13	METTLER-TOLEDO INTERNATL INC.	MTD	$251.31	$418.56	$3,267	$5,441	$2,174	$0	0.0%	0.1%	0.2%
60	ROPER TECHNOLOGIES INC	ROP	$173 43	$183 08	$10,406	$10,985	$579	$84	0 8%	0 2%	0 4%
TOTAL					**$46,742**	**$52,914**	**$6,171**	**$1,098**	**2.1%**	**1.1%**	**1.9%**
MISC CAPITAL GOODS											
232	DANAHER CORP	DHR	$71 77	$77 84	$16,651	$18,059	$1,408	$116	0 6%	0 4%	0 7%
TOTAL Capital Equipment					**$122,792**	**$151,789**	**$28,997**	**$2,237**	**1.5%**	**3.2%**	**5.5%**
Consumer Cyclicals											
AUTO PARTS - AFTERMARKET											
20	O'REILLY AUTOMOTIVE INC	ORLY	$119 36	$278 41	$2,387	$5,568	$3,181	$0	0 0%	0 1%	0 2%
AUTOS & AUTO PARTS OEMS											
649	MAGNA INTERNATIONAL INC	MGA	$49 68	$43 40	$32,242	$28,167	($4,076)	$649	2 3%	0 6%	1 0%
MISC CONSUMER CYCLICALS											
84	AMC NETWORKS INC-A	AMCX	$68 39	$52 34	$5,744	$4,397	($1,348)	$0	0 0%	0 1%	0 2%
399	BOOZ ALLEN HAMILTON HOLDING	BAH	$30 05	$36 07	$11,988	$14,392	$2,404	$239	1 7%	0 3%	0 5%
TOTAL					**$17,732**	**$18,788**	**$1,056**	**$239**	**1.3%**	**0.4%**	**0.7%**
RETAILERS											
84	COSTCO WHOLESALE CORP	COST	$134 09	$160 11	$11,264	$13,449	$2,185	$151	1 1%	0 3%	0 5%
343	DOLLAR GENERAL CORP	DG	$69 03	$74 07	$23,676	$25,406	$1,730	$343	1 4%	0 5%	0 9%

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
(888-13873)
As of December 30, 2016

Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
224	DOLLAR TREE INC	DLTR	$80 16	$77 18	$17,955	$17,288	($667)	$0	0 0%	0 4%	0 6%
250	HOME DEPOT INC	HD	$87 54	$134 08	$21,886	$33,520	$11,634	$690	2 1%	0 7%	1 2%
968	KROGER CO	KR	$33 34	$34 51	$32,272	$33,406	$1,134	$465	1 4%	0 7%	1 2%
TOTAL					**$107,054**	**$123,069**	**$16,016**	**$1,649**	**1.3%**	**2.6%**	**4.5%**
TEXTILES/SHOES - APPAREL MFG											
114	BURLINGTON STORES INC	BURL	$75 77	$84 75	$8,638	$9,662	$1,024	$0	0 0%	0 2%	0 4%
351	NIKE INC -CL B	NKE	$49 28	$50 83	$17,297	$17,841	$544	$253	1 4%	0 4%	0 7%
TOTAL					**$25,935**	**$27,503**	**$1,568**	**$253**	**0.9%**	**0.6%**	**1.0%**
TOYS											
173	ELECTRONIC ARTS INC	EA	$80 66	$78 76	$13,955	$13,625	($329)	$0	0 0%	0 3%	0 5%
TOTAL Consumer Cyclicals					**$199,306**	**$216,721**	**$17,415**	**$2,790**	**1.3%**	**4.6%**	**7.9%**
Consumer Growth											
DRUGS											
149	ALEXION PHARMACEUTICALS INC	ALXN	$151 92	$122 35	$22,637	$18,230	($4,406)	$0	0 0%	0 4%	0 7%
95	BIOGEN INC	BIIB	$305 55	$283 58	$29,027	$26,940	($2,087)	$0	0 0%	0 6%	1 0%
237	CERNER CORP	CERN	$60 23	$47 37	$14,273	$11,227	($3,047)	$0	0 0%	0 2%	0 4%
362	GILEAD SCIENCES INC	GILD	$88 13	$71 61	$31,904	$25,923	($5,981)	$681	2 6%	0 6%	0 9%
396	PFIZER INC	PFE	$30 24	$32 48	$11,975	$12,862	$887	$507	3 9%	0 3%	0 5%
524	TEVA PHARMACEUTICAL-SP ADR	TEVA	$46 45	$36 25	$24,339	$18,995	($5,344)	$713	3 8%	0 4%	0 7%
TOTAL					**$134,155**	**$114,177**	**($19,979)**	**$1,900**	**1.7%**	**2.4%**	**4.2%**
ENTERTAINMENT											
144	WALT DISNEY CO/THE	DIS	$79 98	$104 22	$11,517	$15,008	$3,491	$225	1 5%	0 3%	0 5%
HOSPITAL SUPPLIES											
79	ALIGN TECHNOLOGY INC	ALGN	$63 25	$96 13	$4,996	$7,594	$2,598	$0	0 0%	0 2%	0 3%
238	EDWARDS LIFESCIENCES	EW	$86 09	$93 70	$20,490	$22,301	$1,811	$0	0 0%	0 5%	0 8%
TOTAL					**$25,486**	**$29,895**	**$4,409**	**$0**	**0.0%**	**0.6%**	**1.1%**
LEISURE TIME											
291	REGAL ENTERTAINMENT GROUP-A	RGC	$21 73	$20 60	$6,323	$5,995	($328)	$256	4 3%	0 1%	0 2%
MEDICAL PRODUCTS											
40	INTUITIVE SURGICAL INC	ISRG	$511 56	$634 17	$20,462	$25,367	$4,905	$0	0 0%	0 5%	0 9%

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
(888-13873)
As of December 30, 2016

Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
	OTHER MEDICAL										
152	MCKESSON CORP	MCK	$177 69	$140 45	$27,009	$21,348	($5,660)	$170	0 8%	0 5%	0 8%
	PUBLISHING										
65	ALPHABET INC-CL C	GOOG	$367 07	$771 82	$23,859	$50,168	$26,309	$0	0 0%	1 1%	1 8%
	RADIO - TV BROADCASTING										
433	COMCAST CORP-CLASS A	CMCSA	$60 96	$69 05	$26,395	$29,899	$3,503	$476	1 6%	0 6%	1 1%
TOTAL Consumer Growth					**$275,207**	**$291,856**	**$16,649**	**$3,027**	**1.0%**	**6.2%**	**10.7%**
Consumer Staples											
	BEVERAGES - SOFT, LITE & HARD										
364	MONSTER BEVERAGE CORP	MNST	$28 32	$44 34	$10,309	$16,140	$5,830	$0	0 0%	0 3%	0 6%
	COSMETICS										
30	ULTA SALON COSMETICS & FRAGRAN	ULTA	$92 27	$254 94	$2,768	$7,648	$4,880	$0	0 0%	0 2%	0 3%
	FOODS										
46	VCA INC	WOOF	$66 17	$68 65	$3,044	$3,158	$114	$0	0 0%	0 1%	0 1%
	RESTAURANTS										
16	CHIPOTLE MEXICAN GRILL-CL A	CMG	$423 12	$377 32	$6,770	$6,037	($733)	$0	0 0%	0 1%	0 2%
349	STARBUCKS CORP	SBUX	$40 43	$55 52	$14,108	$19,376	$5,268	$349	1 8%	0 4%	0 7%
TOTAL					**$20,878**	**$25,414**	**$4,535**	**$349**	**1.4%**	**0.5%**	**0.9%**
	TOBACCO										
477	ALTRIA GROUP INC	MO	$55 36	$67 62	$26,404	$32,255	$5,850	$1,164	3 6%	0 7%	1 2%
TOTAL Consumer Staples					**$63,404**	**$84,614**	**$21,210**	**$1,513**	**1.8%**	**1.8%**	**3.1%**
Emerging Markets Mutual Funds											
	EMERGING MARKETS FUND										
5,366 211	BERNSTEIN EMERGING MARKETS PORTFOLIO [1]	SNEMX	$31 14	$24 66	$167,103	$132,331	($34,773)	$824	0 6%	2 8%	4 8%
TOTAL Emerging Markets Mutual Funds					**$167,103**	**$132,331**	**($34,773)**	**$824**	**0.6%**	**2.8%**	**4.8%**
Energy											
	OIL - CRUDE PRODUCTS										
338	EOG RESOURCES INC	EOG	$82 21	$101 10	$27,788	$34,172	$6,384	$226	0 7%	0 7%	1 2%
	OIL WELL EQUIPMENT & SERVICES										

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
(888-13873)
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Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
332	HELMERICH & PAYNE	HP	$60 97	$77 40	$20,242	$25,697	$5,455	$930	3 6%	0 5%	0 9%
418	SCHLUMBERGER LTD	SLB	$68 59	$83 95	$28,670	$35,091	$6,421	$836	2 4%	0 7%	1 3%
TOTAL					**$48,912**	**$60,788**	**$11,876**	**$1,766**	**2.9%**	**1.3%**	**2.2%**
OILS - INTEGRATED DOMESTIC											
447	DEVON ENERGY CORPORATION	DVN	$36 51	$45 67	$16,319	$20,414	$4,095	$107	0 5%	0 4%	0 7%
374	HESS CORP	HES	$53 15	$62 29	$19,878	$23,296	$3,418	$374	1 6%	0 5%	0 9%
TOTAL					**$36,198**	**$43,711**	**$7,513**	**$481**	**1.1%**	**0.9%**	**1.6%**
OILS - INTEGRATED INTERNATIONAL											
531	CANADIAN NATURAL RESOURCES	CNQ	$33 49	$31 88	$17,781	$16,928	($853)	$531	3 1%	0 4%	0 6%
TOTAL Energy					**$130,679**	**$155,599**	**$24,920**	**$3,004**	**1.9%**	**3.3%**	**5.7%**
Finance											
FINANCE											
103	PREMIER INC-CLASS A	PINC	$35 33	$30 36	$3,639	$3,127	($512)	$0	0 0%	0 1%	0 1%
TOTAL Finance					**$3,639**	**$3,127**	**($512)**	**$0**	**0.0%**	**0.1%**	**0.1%**
Financial											
FINANCE - PERSONAL LOANS											
207	CAPITAL ONE FINANCIAL CORP	COF	$78 30	$87 24	$16,208	$18,059	$1,851	$331	1 8%	0 4%	0 7%
MAJOR REGIONAL BANKS											
3,102	BANK OF AMERICA CORP	BAC	$13 68	$22 10	$42,442	$68,554	$26,112	$931	1 4%	1 5%	2 5%
258	COMERICA INC	CMA	$69 38	$68 11	$17,899	$17,572	($327)	$237	1 4%	0 4%	0 6%
1,083	WELLS FARGO & COMPANY	WFC	$48 67	$55 11	$52,710	$59,684	$6,974	$1,646	2 8%	1 3%	2 2%
TOTAL					**$113,052**	**$145,811**	**$32,759**	**$2,814**	**1.9%**	**3.1%**	**5.3%**
MISC FINANCIAL											
20	BLACKROCK INC	BLK	$329 85	$380 54	$6,597	$7,611	$1,014	$183	2 4%	0 2%	0 3%
272	FIRST AMERICAN FINANCIAL CORP	FAF	$38 22	$36 63	$10,397	$9,963	($434)	$370	3 7%	0 2%	0 4%
20	MARKETAXESS HOLDINGS INC	MKTX	$169.07	$146.92	$3,381	$2,938	($443)	$21	0.7%	0.1%	0.1%
380	ONEMAIN HOLDINGS INC	OMF	$36 94	$22 14	$14,037	$8,413	($5,624)	$0	0 0%	0 2%	0 3%
1,086	SYNCHRONY FINANCIAL	SYF	$29 89	$36 27	$32,457	$39,389	$6,933	$565	1 4%	0 8%	1 4%
132	VANTIV INC-CL A	VNTV	$47 51	$59 62	$6,272	$7,870	$1,598	$0	0 0%	0 2%	0 3%
425	VISA INC - CLASS A SHARES	V	$65 81	$78 02	$27,969	$33,159	$5,189	$281	0 9%	0 7%	1 2%

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (888-13873)

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Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
TOTAL					**$101,110**	**$109,343**	**$8,233**	**$1,419**	**1.3%**	**2.3%**	**4.0%**
MULTI-LINE INSURANCE											
149	AETNA INC	AET	$119 58	$124 01	$17,817	$18,477	$661	$149	0 8%	0 4%	0 7%
711	AMERICAN INTERNATIONAL GROUP	AIG	$54 85	$65 31	$38,997	$46,435	$7,439	$910	2 0%	1 0%	1 7%
204	CIGNA CORP	CI	$132 83	$133 39	$27,098	$27,212	$114	$8	0 0%	0 6%	1 0%
692	FNF GROUP	FNF	$35 19	$33 96	$24,351	$23,500	($850)	$692	2 9%	0 5%	0 9%
188	UNITEDHEALTH GROUP INC	UNH	$93 97	$160 04	$17,667	$30,088	$12,421	$470	1 6%	0 6%	1 1%
TOTAL					**$125,929**	**$145,712**	**$19,784**	**$2,229**	**1.5%**	**3.1%**	**5.3%**
PROPERTY - CASUALTY INSURANCE											
208	ALLSTATE CORP	ALL	$67 24	$74 12	$13,986	$15,417	$1,431	$275	1 8%	0 3%	0 6%
TOTAL Financial					**$370,284**	**$434,342**	**$64,058**	**$7,068**	**1.6%**	**9.3%**	**15.9%**
Industrial Resources											
CHEMICALS											
737	CF INDUSTRIES HOLDINGS INC	CF	$37 91	$31 48	$27,938	$23,201	($4,737)	$884	3 8%	0 5%	0 8%
TOTAL Industrial Resources					**$27,938**	**$23,201**	**($4,737)**	**$884**	**3.8%**	**0.5%**	**0.8%**
International Equity Mutual Funds											
INTERNATIONAL EQUITY FUND											
44,843 716	BERNSTEIN INTERNATIONAL PORTFOLIO [1]	SIMTX	$17 45	$14 74	$782,589	$660,996	($121,593)	$11,978	1 8%	14 1%	24 2%
TOTAL International Equity Mutual Funds					**$782,589**	**$660,996**	**($121,593)**	**$11,978**	**1.8%**	**14.1%**	**24.2%**
Services											
AIR TRANSPORT											
620	DELTA AIR LINES INC	DAL	$39 30	$49 19	$24,366	$30,498	$6,132	$502	1 7%	0 7%	1 1%
TOTAL Services					**$24,366**	**$30,498**	**$6,132**	**$502**	**1.7%**	**0.7%**	**1.1%**
Technology											
COMMUNICATION - EQUIP MFRS											
4,770	NOKIA CORP-SPON ADR	NOK	$4 91	$4 81	$23,416	$22,944	($472)	$1,382	6 0%	0 5%	0 8%
71	PALO ALTO NETWORKS INC	PANW	$145 26	$125 05	$10,313	$8,879	($1,435)	$0	0 0%	0 2%	0 3%
TOTAL					**$33,729**	**$31,822**	**($1,907)**	**$1,382**	**4.3%**	**0.7%**	**1.2%**
COMPUTER SERVICES/SOFTWARE											

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (888-13873)
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Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
188	ADOBE SYSTEMS INC	ADBE	$93 15	$102 95	$17,512	$19,355	$1,842	$0	0 0%	0 4%	0 7%
127	ARISTA NETWORKS INC	ANET	$64 20	$96 77	$8,153	$12,290	$4,137	$0	0 0%	0 3%	0 4%
96	COGNIZANT TECH SOLUTIONS-A	CTSH	$64 68	$56 03	$6,209	$5,379	($831)	$0	0 0%	0 1%	0 2%
106	FISERV INC	FISV	$99 11	$106 28	$10,505	$11,266	$760	$0	0 0%	0 2%	0 4%
29	INTUIT INC	INTU	$108 64	$114 61	$3,151	$3,324	$173	$39	1 2%	0 1%	0 1%
1,171	ORACLE CORP	ORCL	$40 66	$38 45	$47,609	$45,025	($2,584)	$703	1 6%	1 0%	1 6%
9	PRICELINE GROUP INC/THE	PCLN	$1,216 87	$1,466 06	$10,952	$13,195	$2,243	$0	0 0%	0 3%	0 5%
100	SERVICENOW INC	NOW	$66 24	$74 34	$6,624	$7,434	$810	$0	0 0%	0 2%	0 3%
TOTAL					**$110,716**	**$117,266**	**$6,550**	**$742**	**0.6%**	**2.5%**	**4.3%**
COMPUTER/INSTRUMENTATION											
93	AMPHENOL CORP-CL A	APH	$41 47	$67 20	$3,856	$6,250	$2,393	$60	1 0%	0 1%	0 2%
741	HEWLETT PACKARD ENTERPRIS	HPE	$16 49	$23 14	$12,219	$17,147	$4,928	$193	1 1%	0 4%	0 6%
TOTAL					**$16,076**	**$23,396**	**$7,321**	**$252**	**1.1%**	**0.5%**	**0.9%**
COMPUTERS											
362	APPLE INC	AAPL	$93 65	$115 82	$33,901	$41,927	$8,026	$825	2 0%	0 9%	1 5%
1,355	HP INC	HPQ	$11 53	$14 84	$15,620	$20,108	$4,488	$719	3 6%	0 4%	0 7%
171	NCR CORPORATION	NCR	$29 10	$40 56	$4,976	$6,936	$1,959	$0	0 0%	0 1%	0 3%
TOTAL					**$54,497**	**$68,971**	**$14,473**	**$1,545**	**2.2%**	**1.5%**	**2.5%**
OFFICE AUTOMATION											
2,004	XEROX CORP	XRX	$10 17	$8 73	$20,371	$17,495	($2,876)	$621	3 6%	0 4%	0 6%
SEMICONDUCTORS											
1,047	INTEL CORP	INTC	$32 35	$36 27	$33,869	$37,975	$4,105	$1,089	2 9%	0 8%	1 4%
135	NVIDIA CORP	NVDA	$22 80	$106 74	$3,078	$14,410	$11,332	$76	0 5%	0 3%	0 5%
170	TEXAS INSTRUMENTS INC	TXN	$64 76	$72 97	$11,009	$12,405	$1,396	$340	2 7%	0 3%	0 5%
317	XILINX INC	XLNX	$47 60	$60 37	$15,091	$19,137	$4,047	$418	2 2%	0 4%	0 7%
TOTAL					**$63,047**	**$83,927**	**$20,880**	**$1,923**	**2.3%**	**1.8%**	**3.1%**
TELECOMMUNICATION											
410	FACEBOOK INC-A	FB	$80 73	$115 05	$33,098	$47,171	$14,073	$0	0 0%	1 0%	1 7%
TOTAL Technology					**$331,533**	**$390,048**	**$58,514**	**$6,465**	**1.7%**	**8.3%**	**14.3%**

Utilities

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
(888-13873)
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Stocks[1]

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
ELECTRIC COMPANIES											
274	AMERICAN ELECTRIC POWER	AEP	$57 65	$62 96	$15,797	$17,251	$1,454	$647	3 8%	0 4%	0 6%
387	EDISON INTERNATIONAL	EIX	$56 30	$71 99	$21,790	$27,860	$6,071	$840	3 0%	0 6%	1 0%
429	EXELON CORPORATION	EXC	$33 65	$35 49	$14,436	$15,225	$789	$546	3 6%	0 3%	0 6%
761	NISOURCE INC	NI	$19 70	$22 14	$14,990	$16,849	$1,859	$502	3 0%	0 4%	0 6%
263	PORTLAND GENERAL ELECTRIC CO	POR	$44 16	$43 33	$11,614	$11,396	($218)	$337	3 0%	0 2%	0 4%
456	SOUTHWESTERN ENERGY	SWN	$12 48	$10 82	$5,692	$4,934	($758)	$0	0 0%	0 1%	0 2%
TOTAL					**$84,319**	**$93,515**	**$9,196**	**$2,871**	**3.1%**	**2.0%**	**3.4%**
TELEPHONE											
614	AT&T INC	T	$41 94	$42 53	$25,754	$26,113	$359	$1,203	4 6%	0 6%	1 0%
726	T-MOBILE US INC	TMUS	$41 87	$57 51	$30,395	$41,752	$11,357	$0	0 0%	0 9%	1 5%
TOTAL					**$56,149**	**$67,866**	**$11,716**	**$1,203**	**1.8%**	**1.4%**	**2.5%**
TOTAL Utilities					**$140,468**	**$161,380**	**$20,912**	**$4,074**	**2.5%**	**3.5%**	**5.9%**
						$1,785	**AI**				
TOTAL Stocks					**$2,639,309**	**$2,736,502**	**$97,193**	**$44,367**	**1.6%**	**58.4%**	**100.0%**

Unmanaged Assets

Stocks

Qty.	Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
Consumer Cyclicals											
RETAILERS											
14,670	WALGREENS BOOTS ALLIANCE INC	WBA	$0 00	$82 76	$0	$1,214,089	$1,214,089	$22,005	N/A	25 9%	100 0%
TOTAL Consumer Cyclicals					**$0**	**$1,214,089**	**$1,214,089**	**$22,005**	**N/A**	**25.9%**	**100.0%**
TOTAL Stocks					**$0**	**$1,214,089**	**$1,214,089**	**$22,005**	**N/A**	**25.9%**	**100.0%**

Holdings

Account: KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
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NET PORTFOLIO VALUE

Qty. Holding	Ticker	Avg. Unit Cost	Market Price	Total Cost	Market Value	Unrealized Gain(Loss)	Est. Annual Income	Yield	% of Portfolio	% of Asset Class
NET PORTFOLIO VALUE				**$3,396,255**	**$4,685,273**	**$1,286,691**	**$80,894**	**N/A**		

1 Mutual fund unrealized gains (losses) are calculated by the difference between the market value and the total cost (or cost basis) at any point in time. This figure provides perspective only on the potential tax implications of the investment to date and not its performance record due to the fact that the cost basis may have been adjusted to account for income and gains distributions and reinvestment.

- The data on this page is for your information. Your monthly statement is the official record of your holdings and balances for all assets for which Sanford C. Bernstein & Co., LLC, is the custodian. Contact your advisor with any questions.
- AI = Accrued Income (interest and dividends).
- Total market value may include assets that are not currently being managed.
- Fixed income fund yields are calculated using the 30 day S.E.C. yield. Municipal yields may include a portion of taxable income. Estimated annual income for the fixed income portfolios is based on the monthly income dividends and does not include capital gains distributions. Therefore yield will differ from estimated annual income.
- International and Emerging Market fund yields are estimates based on stock dividends and interest income generated from cash and securities held directly in the fund, net of estimated fund expenses. These dividends are distributed annually. Additionally, the funds may make annual distributions of short and long-term capital gains.
- Total portfolio cost includes the reinvestment of interest, dividends and capital gains distributions as well as capital invested in the account and therefore is often higher than the capital you have invested in this account. Further information on mutual fund Total Cost and Market Value is available here. Please reach out to your Financial Advisor for assistance.
- "Unmanaged Assets" are securities of which you have retained management and for which we have no responsibility and charge no management fee.

BERSTEIN VALUATION

COST	FMV	
694,562.00	670,512.00	INTERMEDIATE
782,589.00	660,996.00	INTERNATIONAL
167,103.00	132,331.00	EMERGING
1,644,254.00	1,463,839.00	

3,396,255.00	TOTAL COST
1,644,254.15	**LESS COST OF BERNSTEIN FUNDS**
62,385.01	**LESS CASH BASIS**
1,689,615.84	**COST BASIS OF STOCK**