

Form **990-PF**

OMB No 1545-0052

Return of Private FoundationDepartment of the Treasury
Internal Revenue Service

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.

▶ Go to www.irs.gov/Form990PF for instructions and the latest information.

2018

Open to Public Inspection

For calendar year 2018 or tax year beginning

10/01, 2018, and ending

09/30, 2019

Name of foundation

THE KNOWLES FOUNDATION

A Employer identification number

36-6051968

Number and street (or P.O. box number if mail is not delivered to street address)

Room/suite

B Telephone number (see instructions)

200 S. MICHIGAN AVENUE

1100

(312) 372-4000

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

CHICAGO, IL 60604-2501

G Check all that apply

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name change

H Check type of organization

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

I Fair market value of all assets at

J Accounting method

☒ Cash☐ Accrual

end of year (from Part II, col. (c), line

☐ Other (specify)

16) ▶ \$ 16,473,527.

(Part I, column (d) must be on cash basis)

C If exemption application is pending, check here. ☐D 1 Foreign organizations, check here. ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here. ☐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)
1 Contributions, gifts, grants, etc., received (attach schedule)	10,700,450.			
2 Check ☐ if the foundation is not required to attach Sch. B.				
3 Interest on savings and temporary cash investments	79,399.	79,399.		
4 Dividends and interest from securities	214,423.	214,423.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	81,274.			
b Gross sales price for all assets on line 6a	2,158,396.			
7 Capital gain net income (from Part IV, line 2)		81,274.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	11,075,546.	375,096.		
13 Compensation of officers, directors, trustees, etc.	0.			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) ATCH. 1.	48,265.	24,133.		24,132.
b Accounting fees (attach schedule) ATCH. 2.	8,371.	4,186.		4,185.
c Other professional fees (attach schedule) [3]	23,828.	23,803.		25.
17 Interest				
18 Taxes (attach schedule) (see instructions) [4]	12,131.			
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH. 5.	5,363.			5,363.
24 Total operating and administrative expenses				
Add lines 13 through 23.	97,958.	52,122.		33,705.
25 Contributions, gifts, grants paid	705,000.			705,000.
26 Total expenses and disbursements Add lines 24 and 25	802,958.	52,122.	0.	738,705.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	10,272,588.			
b Net investment income (if negative, enter -0-)		322,974.		
c Adjusted net income (if negative, enter -0-)				

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05 Received in
Batching Office

SCANNED FEB 08 2021

Revenue
Operating and Administrative Expenses

03/04

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments	983.	2,424,486.	2,463,425.	
	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) ATCH 6	3,076,647.	5,432,953.	5,446,740.	
	c	Investments - corporate bonds (attach schedule) ATCH 7	2,438,799.	8,374,814.	8,563,362.	
	11	Investments - land, buildings, and equipment basis ▶				
	Less accumulated depreciation (attach schedule) ▶					
12	Investments - mortgage loans					
13	Investments - other (attach schedule)					
14	Land, buildings, and equipment basis ▶					
	Less accumulated depreciation (attach schedule) ▶					
15	Other assets (describe ▶ ATCH 8)	443,236.				
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	5,959,665.	16,232,253.	16,473,527.		
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 ☒ X and complete lines 24 through 26, and lines 30 and 31.				
	24	Unrestricted	5,959,665.	16,232,253.		
	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				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)	5,959,665.	16,232,253.		
	31	Total liabilities and net assets/fund balances (see instructions)	5,959,665.	16,232,253.		

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	5,959,665.
2	Enter amount from Part I, line 27a	2	10,272,588.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	16,232,253.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	16,232,253.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (for example, 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 SEE PART IV SCHEDULE					
b					
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					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) FMV 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					
2 Capital gain net income or (net capital loss) $\left\{ \begin{array}{l} \text{If gain, also enter in Part I, line 7} \\ \text{If (loss), enter -0- in Part I, line 7} \end{array} \right\}$			2	81,274.	
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	0.	

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 doesn't 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))
2017	274,507.	5,879,627.	0.046688
2016	272,056.	5,598,802.	0.048592
2015	281,361.	5,328,668.	0.052801
2014	280,370.	5,678,186.	0.049377
2013	257,018.	5,576,703.	0.046088
2 Total of line 1, column (d)			2 0.243546
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years			3 0.048709
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5			4 13,933,836.
5 Multiply line 4 by line 3.			5 678,703.
6 Enter 1% of net investment income (1% of Part I, line 27b).			6 3,230.
7 Add lines 5 and 6.			7 681,933.
8 Enter qualifying distributions from Part XII, line 4. If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions			8 738,705.

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	3,230.
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	3,230.
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	3,230.
6 Credits/Payments			
a 2018 estimated tax payments and 2017 overpayment credited to 2018	6a	8,800.	
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	8,800.	
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	5,570.	
11 Enter the amount of line 10 to be Credited to 2019 estimated tax ☒ 3,230. Refunded ☐	11	2,340.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☒ \$ N/A (2) On foundation managers ☒ \$ N/A		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☒ \$ N/A		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered. See instructions ☒ 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	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 2018 or the tax year beginning in 2018? See the instructions for Part XIV. If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses ☒ ATCH 9	X	

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Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule See instructions		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement See instructions		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	X	
14 The books are in care of ▶ MICHAEL POWERS Telephone no ▶ (312) 456-3416 Located at ▶ 200 S. MICHIGAN AVE. CHICAGO, IL ZIP+4 ▶ 60604-2501		
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		
16 At any time during calendar year 2018, 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?		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		X
Organizations relying on a current notice regarding disaster assistance, check here N/A ▶ ☐		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2018?		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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018?	☐ Yes ☒ No	
If "Yes," list the years ▶ N/A		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)		N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ N/A		
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 2018 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 2018)		N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2018?		X

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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		Yes	No
(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	N/A
	Organizations relying on a current notice regarding disaster assistance, check here	N/A	☐	
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)	N/A		
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	X
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes	☒ No	
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?		7b	N/A
8	Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	☐ Yes	☒ No	

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, and foundation managers and their compensation. See instructions.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATCH 10		0.	0.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000. NONE

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0.
Total number of others receiving over \$50,000 for professional services		NONE

Part IX-A	Summary of Direct Charitable Activities
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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	NONE	
2		
3		
4		

Part IX-B	Summary of Program-Related Investments (see instructions)
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Part IX-B Summary of Program-Related Investments (see instructions)		Amount
Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		
1	NONE	
2		
All other program-related investments See instructions		
3	NONE	
Total. Add lines 1 through 3		NONE

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	11,211,064.
b	Average of monthly cash balances	1b	2,884,852.
c	Fair market value of all other assets (see instructions)	1c	50,110.
d	Total (add lines 1a, b, and c)	1d	14,146,026.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d.	3	14,146,026.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	212,190.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	13,933,836.
6	Minimum investment return. Enter 5% of line 5	6	696,692.

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	696,692.
2a	Tax on investment income for 2018 from Part VI, line 5	2a	3,230.
b	Income tax for 2018 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	3,230.
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	693,462.
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	693,462.
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	693,462.

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	738,705.
b	Program-related investments - total from Part IX-B.	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	738,705.
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	3,230.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	735,475.

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				693,462.
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only.				
b Total for prior years 20 <u>16</u> , 20 <u>15</u> , 20 <u>14</u>				
3 Excess distributions carryover, if any, to 2018				
a From 2013				
b From 2014 3,669.				
c From 2015 22,402.				
d From 2016				
e From 2017				
f Total of lines 3a through e	26,071.			
4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ <u>738,705.</u>				
a Applied to 2017, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions).				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2018 distributable amount.				693,462.
e Remaining amount distributed out of corpus.	45,243.			
5 Excess distributions carryover applied to 2018 (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	71,314.			
b Prior years' undistributed income Subtract line 4b from line 2b.				
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				
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019.				
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 2013 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	71,314.			
10 Analysis of line 9				
a Excess from 2014 3,669.				
b Excess from 2015 22,402.				
c Excess from 2016				
d Excess from 2017				
e Excess from 2018 45,243.				

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

NOT APPLICABLE

- 1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2018, 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			(e) Total	
		(a) 2018	(b) 2017	(c) 2016	(d) 2015	
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., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

- a. The name, address, and telephone number or email address of the person to whom applications should be addressed

N/A

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

N/A

- c Any submission deadlines

N/A

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

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 ATCH 11				
Total			3a	705,000.
b Approved for future payment NONE				
Total			3b	NONE

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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	_____					
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	79,399.	
4	Dividends and interest from securities			14	214,423.	
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	81,274.	
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)				375,096.	
13	Total. Add line 12, columns (b), (d), and (e)					375,096.

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

[illegible]

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) (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 | | |

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) (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		

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.

**Sign
Here**


Signature of officer or trustee

8/6/20

 TREASURER
 Title

May the IRS discuss this return with the preparer shown below?

See instructions ☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name KATHERINE E KURTZMAN		Preparer's signature <i>Katherine Kurtzman</i>		Date 8/5/2020	Check ☐ if self-employed	PTIN P01236691
Firm's name ▶ ERNST & YOUNG U.S. LLP					Firm's EIN ▶ 34-6565596	
Firm's address ▶ 155 N. WACKER DRIVE CHICAGO, IL 60606					Phone no 312-879-2000	

Schedule of Contributors

OMB No 1545-0047

2018

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

Name of the organization
THE KNOWLES FOUNDATION

Employer identification number
36-6051968

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

- ☒ 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

- ☒ 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 (entering "N/A" in column (b) instead of the contributor name and address), 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 **THE KNOWLES FOUNDATION**Employer identification number
36-6051968**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	NANCY W KNOWLES TRUST DATED 4/18/1990 135 S. LASALLE ST., STE 1441 CHICAGO, IL 60603	\$ 9,000,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
2	NANCY KNOWLES GIFTING TRUST 135 S. LASALLE ST., STE 1441 CHICAGO, IL 60603	\$ 1,700,450.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

Employer identification number

36-6051968

(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
		\$	
(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 THE KNOWLES FOUNDATION

Employer identification number

36-6051968

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 information once. See instructions.) ► \$ _____

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

ATTACHMENT 1FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
HOWARD & HOWARD ATTORNEYS PLLC	48,265.	24,133.		24,132.
TOTALS	<u>48,265.</u>	<u>24,133.</u>		<u>24,132.</u>

ATTACHMENT 2FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ERNST & YOUNG, LLP	8,371.	4,186.		4,185.
TOTALS	<u>8,371.</u>	<u>4,186.</u>		<u>4,185.</u>

ATTACHMENT 3

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
HARRIS BANK CUSTODIAN SERVICE	4,000.	4,000.	
ADMINISTRATIVE SERVICES	25.		25.
US TRUST CUSTODIAN SERVICE	19,803.	19,803.	
TOTALS	<u>23,828.</u>	<u>23,803.</u>	<u>25.</u>

ATTACHMENT 4FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
FEDERAL ESTIMATED PAYMENT	12,101.
IL CHARITY BUREAU FUND	15.
IL SECRETARY OF STATE FILING	15.
TOTALS	<u>12,131.</u>

ATTACHMENT 5

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
INSURANCE EXPENSE	5,363.	5,363.
TOTALS	5,363.	5,363.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 6

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
BMO SMALL CAP VALUE FUND #1162	326,780.	319,955.	291,232.
BMO LARGE CAP VALUE FUND #926	2,439,663.	2,882,688.	2,793,024.
BMO PYRFORD INTERNATIONAL FUND	310,204.	232,301.	250,099.
COLUMBIA DIVIDEND INCOME FUND		400,000.	430,858.
VANGUARD S&P 500 ETF		399,023.	425,529.
WISDOMTREE TRUST QUALITY DIV		398,964.	426,822.
VANGUARD MID-CAP ETF		299,554.	318,440.
VANGUARD SMALL-CAP ETF		200,132.	203,750.
ISHARES EDGE MSCI MIN VOL EAFE		190,965.	198,296.
ISHARES EDGE MSCI MIN VOL EMER		109,371.	106,987.
ACCRUED DIVIDENDS			1,703.
TOTALS	<u>3,076,647.</u>	<u>5,432,953.</u>	<u>5,446,740.</u>

FORM 990PF, PART II - CORPORATE BONDSATTACHMENT 7

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
BMO TCH-INT BOND FUND CI I	1,851,288.	1,849,376.	1,886,262.
BMO SHORT-TERM INC. FUND CI I	587,511.	641,270.	646,430.
EL PASO CORP UNSEC SR NT		78,702.	77,946.
DOWDUPONT INC UNSEC SR NT		76,038.	76,381.
WELLS FARGO BK N A SAN MEDIUM		99,226.	100,725.
AMERICAN INTL GROUP INC UNSEC		75,467.	76,157.
CITIGROUP INC UNSEC SR NT		74,465.	75,704.
MORGAN STANLEY SR UNSEC GMTN		74,077.	75,503.
CONSTELLATION BRANDS INC UNSEC		75,822.	76,649.
REGIONS BK BIRMINGHAM ALA UNSE		75,069.	75,656.
DUKE ENERGY CORP NEW UNSEC		72,725.	74,666.
SUNTRUST BK ATLANTA GA UNSEC		75,612.	76,054.
UNITED STATES TREAS NT 1/15/19		200,211.	203,876.
UNITEDHEALTH GROUP INC SR UNSE		75,151.	76,355.
VERIZON COMM INC UNSEC SR NT		76,524.	77,162.
TOYOTA AUTO RECEIVABLES 2018-A		99,383.	100,220.
PIONEER NAT RES CO SR UNSEC		76,437.	78,058.
ACE INA HLDGS INC SR UNSEC		100,335.	102,504.
UNITED STATES TREAS NT 1/31/18		523,066.	538,330.
ENERGY TRANSFER PARTNERS LP SR		76,056.	77,043.
AT&T INC UNSEC SR GLBL NT		76,529.	78,215.
CVS HEALTH CORP UNSEC SR PIDI		78,273.	78,070.
CABELAS CR CARD MASTER 3/16/15		99,367.	100,036.
FIDELITY NATL INFORMATION SVCS		74,606.	78,226.
CABELAS CR CARD MASTER 7/15/15		99,180.	100,172.
BANK NEW YORK MELLON CORP UNSE		76,222.	78,637.
FIFTH THIRD BANCORP SR UNSEC		104,874.	105,412.
UNITED STATES TREAS NT 1/31/19		701,105.	727,097.
UNITED STATES TREAS NT 2/28/19		174,597.	181,050.

FORM 990PF, PART II - CORPORATE BONDSATTACHMENT 7 (CONT'D)

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
COMCAST CORP NEW SR UNSEC'D NT		76,817.	79,973.
UNITED STATES TREAS NT 5/31/77		378,135.	382,485.
FEDERAL NAT'L MTG ASSN #AL9024		298,025.	298,565.
FEDERAL NAT'L MTG ASSN #AW0938		384,039.	384,531.
FEDERAL NAT'L MTG ASSN #BM5310		220,847.	225,899.
FEDERAL HOME LN MTG CORPG16210		314,688.	323,045.
GS MTG SECS TR 2012-GC6		151,064.	152,688.
UBS-BARCLAYS COM'L MTG TR 2012		148,828.	152,103.
UBS AG STAMFORD BRH UNSEC'D		99,497.	100,153.
BANK MONTREAL UNSEC'D MEDIUM		100,415.	100,862.
BARCLAYS BK PLC UNSEC'D GBL NT		74,300.	75,216.
AERCAP IRELAND CAP LTD		76,087.	77,428.
SHIRE ACQ UNV IRELAND DA SR UN		72,307.	76,459.
ACCRUED INTEREST			35,359.
TOTALS	<u>2,438,799.</u>	<u>8,374,814.</u>	<u>8,563,362.</u>

FORM 990PF, PART II - OTHER ASSETS

ATTACHMENT 8

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
JEWELRY BEQUEATHED TO FDN	427,436.		
FURS BEQUEATHED TO FOUNDATION	15,800.		
TOTALS	<u>443,236.</u>		

FORM 990PF, PART VII-A, LINE 10 - SUBSTANTIAL CONTRIBUTORS

ATTACHMENT 9

NAME AND ADDRESS

NANCY W KNOWLES TRUST DATED 4/18/1990
135 S. LASALLE ST., STE 1441
CHICAGO, IL 60603

THE KNOWLES FOUNDATION

2018 FORM 990-PF

36-6051968

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 10

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS		EXPENSE ACCT AND OTHER ALLOWANCES
			TO EMPLOYEE BENEFIT PLANS		
MICHAEL J. POWERS 200 S. MICHIGAN AVENUE 1100 CHICAGO, IL 60604-2501	DIRECTOR/TREASURER/SECRETARY .50	0.	0.		0.
DAVID J. HILL 1206 HAWTHORNE LANE HINSDALE, IL 60521	DIRECTOR/PRESIDENT .50	0.	0.		0.
RONALD LAWLER 15W455 LEXINGTON ST. ELMHURST, IL 60126	DIRECTOR .50	0.	0.		0.
GRAND TOTALS		0.	0.		0.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ADLER PLANETARIUM 1300 S LAKE SHORE DRIVE CHICAGO, IL 60605	NONE PC		GENERAL FUND	10,000
ALLIANCE FOR THE GREAT LAKES 150 N MICHIGAN AVE , SUITE 700 CHICAGO, IL 60601	NONE PC		GENERAL FUND	25,000
CHICAGO ARCHITECTURE CENTER 111 E WACKER DR , SUITE 1321 CHICAGO, IL 60601	NONE PC		GENERAL FUND	25,000
ELMHURST MEMORIAL HOSPITAL 155 E BRUSH HILL RD ELMHURST, IL 60126	NONE PC		CANCER CENTER	50,000
FOUNDATION FOR HEARING AND SPEECH REHABILITATION PO BOX 180018 CHICAGO, IL 60618	NONE PC		GENERAL FUND	37,500
FRIENDS OF THE CHICAGO RIVER 411 S WELLS ST , SUITE 800 CHICAGO, IL 60607	NONE PC		GENERAL FUND	25,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
GIGI'S PLAYHOUSE, INC 2350 W HIGGINS ROAD HOFFMAN ESTATES, IL 60169	NONE PC		GENERAL FUND	25,000
GREATER CHICAGO FOOD DEPOSITORY 4100 W ANN LURIE PLACE CHICAGO, IL 60632	NONE PC		GENERAL FUND	10,000
HINSDALE JUNIOR WOMEN'S CLUB PO BOX 152 HINSDALE, IL 60521	NONE PC		GENERAL FUND	15,000
LINCOLN PARK ZOO 2001 N CLARK ST CHICAGO, IL 60614	NONE PC		GENERAL FUND	25,000
LOYOLA UNIVERSITY MEDICAL CENTER 2160 S 1ST AVE MAYWOOD, IL 60153	NONE PC		ORTHAEPEDIC DIVISION	60,000
LYRIC OPERA OF CHICAGO 20 N WACKER DR , SUITE 860 CHICAGO, IL 60606	NONE PC		STUDENT AND FAMILY PERFORMANCES FUND	50,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 11 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
MERIT SCHOOL OF MUSIC 38 SOUTH PEORIA STREET CHICAGO, IL 60607	NONE PC		GENERAL FUND	62,500
MUSEUM OF SCIENCE AND INDUSTRY 5700 SOUTH LAKE SHORE DRIVE CHICAGO, IL 60637	NONE PC		GENERAL FUND	10,000
NORTHWESTERN UNIVERSITY 633 CLARK STREET EVANSTON, IL 60208	NONE PC		HUGH KNOWLES CENTER SCHOOL OF COMMUNICATION	10,000
RAY GRAHAM ASSOCIATION 901 WARRENVILLE ROAD SUITE 500 LISLE, IL 60532	NONE PC		GENERAL FUND	65,000
SHEDD AQUARIUM SOCIETY 1200 S LAKE SHORE DRIVE CHICAGO, IL 60605	NONE PC		GENERAL FUND	10,000
SHIRLEY RYAN ABILITYLAB 355 EAST ERIE STREET CHICAGO, IL 60611	NONE PC		GENERAL FUND	50,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SPECIAL CHILDREN'S CHARITIES 2 E 8TH STREET MEZZANINE LEVEL CHICAGO, IL 60605	NONE PC		GENERAL FUND	50,000
THE ART INSTITUTE OF CHICAGO 111 S MICHIGAN AVE CHICAGO, IL 60603	NONE PC		GENERAL FUND	25,000
THE FIELD MUSEUM 1400 S LAKE SHORE DR CHICAGO, IL 60605	NONE PC		GENERAL FUND	40,000
THE MAYO FOUNDATION 200 FIRST STREET SW ROCHESTER, MN 55905	NONE PC		GENERAL FUND	25,000
TOTAL CONTRIBUTIONS PAID				705,000

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
1,912,396.		PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 1,633,886.				P	VAR 278,510.	VAR -
237,500.		SALE OF JEWELRY PROPERTY TYPE: OTHER 427,436.				D	VAR -189,936.	VAR
8,500.		SALE OF FURS PROPERTY TYPE: OTHER 15,800.				D	VAR -7,300.	VAR
TOTAL GAIN (LOSS)							<u>81,274.</u>	