

For calendar year 2018, or tax year beginning 01-01-2018, and ending 12-31-2018

Name of foundation KENNETH C TOWNSON FUND XXXXX6003		A Employer identification number 51-0244200	
Number and street (or P.O. box number if mail is not delivered to street address) 10 S DEARBORN IL1-0111		Room/suite	B Telephone number (see instructions) (800) 496-2583
City or town, state or province, country, and ZIP or foreign postal code CHICAGO, IL 60603		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ 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) ▶\$ 1,180,718	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)				
	2 Check ☒ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	30,137	30,125		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	40,150			
	b Gross sales price for all assets on line 6a _____ 456,300				
	7 Capital gain net income (from Part IV, line 2)		40,150		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances _____				
Operating and Administrative Expenses	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	70,287	70,275		
	13 Compensation of officers, directors, trustees, etc	20,269	12,162		8,108
	14 Other employee salaries and wages		0	0	0
	15 Pension plans, employee benefits		0	0	
	16a Legal fees (attach schedule)				0
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				0
	17 Interest				0
	18 Taxes (attach schedule) (see instructions)	1,771	775		0
	19 Depreciation (attach schedule) and depletion	0	0		
	20 Occupancy				
	21 Travel, conferences, and meetings		0	0	
	22 Printing and publications		0	0	
	23 Other expenses (attach schedule)	250			250
	24 Total operating and administrative expenses. Add lines 13 through 23	22,290	12,937	0	8,358
	25 Contributions, gifts, grants paid	72,500			72,500
	26 Total expenses and disbursements. Add lines 24 and 25	94,790	12,937	0	80,858
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-24,503			
	b Net investment income (if negative, enter -0-)		57,338		
c Adjusted net income (if negative, enter -0-)				0	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	11,216	11,434	11,434
	2 Savings and temporary cash investments	90,578	46,630	46,630
	3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____		0	0
	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 ▶ _____ 0			
	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)	751,296	774,993	896,975
	c Investments—corporate bonds (attach schedule)	132,851	170,802	169,960
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	101,984	59,440	55,719
	14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,087,925	1,063,299	1,180,718	
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	
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	1,087,925	1,063,299	
	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)	1,087,925	1,063,299		
31 Total liabilities and net assets/fund balances (see instructions) .	1,087,925	1,063,299		

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	1,087,925
2 Enter amount from Part I, line 27a	2	-24,503
3 Other increases not included in line 2 (itemize) ▶ _____	3	2,413
4 Add lines 1, 2, and 3	4	1,065,835
5 Decreases not included in line 2 (itemize) ▶ _____	5	2,536
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	1,063,299

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a See Additional Data Table			
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 See Additional Data Table			
b			
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 See Additional Data Table			
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	40,150
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))
2017	82,104	1,317,160	0 062334
2016	93,483	1,263,504	0 073987
2015	83,181	1,357,076	0 061294
2014	66,060	1,319,715	0 050056
2013	49,058	1,147,827	0 04274

2 Total of line 1, column (d)	2	0 290411
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 058082
4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5	4	1,344,214
5 Multiply line 4 by line 3	5	78,075
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	573
7 Add lines 5 and 6	7	78,648
8 Enter qualifying distributions from Part XII, line 4	8	80,858

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	573
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2.	3	573
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	573
6	Credits/Payments		
a	2018 estimated tax payments and 2017 overpayment credited to 2018	6a	776
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	0
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	776
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0
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	203
11	Enter the amount of line 10 to be Credited to 2019 estimated tax ▶ 203 Refunded ▶	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for definition). <i>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</i>	1b	No
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? <i>If "Yes," attach a detailed description of the activities</i>	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? <i>If "Yes," attach a conformed copy of the changes</i>	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? <i>If "Yes," attach the statement required by General Instruction T</i>	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? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NY _____		
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? <i>If "No," attach explanation</i> .	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 2018 or the taxable year beginning in 2018? See the instructions for Part XIV <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

Part VII-A Statements Regarding Activities (continued)

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? Website address ▶ <u>n/a</u>	13	Yes	
14	The books are in care of ▶ <u>JP MORGAN CHASE BANK NA</u> Telephone no ▶ <u>(800) 496-2583</u>			

Located at ▶ 10 S DEARBORN ST MC ILI-0111 CHICAGO IL ZIP+4 ▶ 60603

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			
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?	16	Yes	No
	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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(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		No
	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 2018?	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 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 ▶ 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 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).	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 2018?	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		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	
	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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	☐ Yes ☐ No		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No	6b	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			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No	7b	
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?			
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 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, 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
JP MORGAN CHASE BANK NA 10 S Dearborn ST MC IL 1-0111 Chicago, IL 60603	trustee 2	20,269		
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.				0

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		
Total number of others receiving over \$50,000 for professional services.		0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1	
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	1,324,199
b	Average of monthly cash balances.	1b	40,485
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	1,364,684
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	1,364,684
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	20,470
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	1,344,214
6	Minimum investment return. Enter 5% of line 5.	6	67,211

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	67,211
2a	Tax on investment income for 2018 from Part VI, line 5.	2a	573
b	Income tax for 2018 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	573
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	66,638
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	66,638
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	66,638

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	80,858
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	80,858
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	573
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	80,285

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				66,638
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2018				
a From 2013.				0
b From 2014.				2,058
c From 2015.				15,755
d From 2016.				30,628
e From 2017.				17,794
f Total of lines 3a through e.	66,235			
4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ 80,858				
a Applied to 2017, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2018 distributable amount.				66,638
e Remaining amount distributed out of corpus	14,220			
5 Excess distributions carryover applied to 2018 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	80,455			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).	0			
8 Excess distributions carryover from 2013 not applied on line 5 or line 7 (see instructions).	0			
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	80,455			
10 Analysis of line 9				
a Excess from 2014.				2,058
b Excess from 2015.				15,755
c Excess from 2016.				30,628
d Excess from 2017.				17,794
e Excess from 2018.				14,220

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 2018, 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) 2018	(b) 2017	(c) 2016	(d) 2015	
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 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))

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

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

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

c Any submission deadlines

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

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

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i> See Additional Data Table				
Total			▶ 3a	
b <i>Approved for future payment</i>				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

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

[illegible]

Part XVII

	Yes	No
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1a(1)	No
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1a(2)	No
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1b(1)	No
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1b(2)	No
--------------	-----------

1b(3)		No
--------------	--	-----------

1b(4)		No
--------------	--	-----------

1b(5)		No
--------------	--	-----------

1b(6)		No
--------------	--	-----------

1c		No
-----------	--	-----------

value
ue

[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

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.

2019-04-11

May the IRS discuss this return

Signature of officer or trustee _____ Date _____ Title _____

May the IRS discuss this return with the preparer shown below

(see instr)? ☒ **Yes** ☐ **No**

Paid Preparer Use Only	JACOB ZEHNDER		2019-04-11		
	Firm's name ▶ ERNST & YOUNG US LLP				Firm's EIN ▶ 34-6565596

Print/Type preparer's name JACOB ZEHNDER	Preparer's Signature	Date 2019-04-11	Check if self-employed ☐	PTIN P01564049
Firm's name ▶ ERNST & YOUNG US LLP				Firm's EIN ▶ 34-6565596
Firm's address ▶ 155 N WACKER DRIVE CHICAGO, IL 60606				Phone no (312) 879-2000

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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 BANK OF AMERICA CORPORATION			2018-01-05
1 499 87 JPM GL RES ENH IDX FD - USD - R6 ISIN US48129C2070		2014-12-15	2018-01-08
505 796 JPMORGAN CORE BOND FUND ULTRA		2015-08-27	2018-01-08
716 886 PIMCO SHORT TERM FUND INSTL		2018-01-08	2018-02-08
1046 68 T ROWE PR EMERG MKTS BND-I		2016-07-15	2018-02-13
3214 019 NB HIGH INCOME BOND-R6		2016-03-31	2018-02-14
79 ISHARES MISC EAFE INDEX FUND		2018-03-23	2018-06-11
86 ISHARES MISC EAFE INDEX FUND		2017-05-09	2018-06-11
221 ISHARES MISC EAFE INDEX FUND			2018-06-11
386 399 AQR LONG-SHORT EQUITY-R6		2017-06-29	2018-07-11

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
24			24
11,532		8,998	2,534
5,847		5,913	-66
7,090		7,076	14
12,644		13,159	-515
27,416		26,291	1,125
5,600		5,368	232
6,096		5,585	511
15,663		13,835	1,828
4,915		5,336	-421

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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	
			24
			2,534
			-66
			14
			-515
			1,125
			232
			511
			1,828
			-421

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 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)
697 132 CRM LONG/SHORT OPPORTUNITIES FUND				2018-07-11
1	1128 261 EQUINOX CAMPBELL STRATEGY-I		2013-11-25	2018-07-11
201 926 DODGE & INTERNATIONAL STOCK FUND			2014-12-19	2018-08-14
40 SPDR TR UNIT SER 1			2018-01-10	2018-08-20
2427 715 DOUBLELINE TOTL RET BND-I			2016-06-21	2018-08-29
174 VANGUARD BD INDEX FD INC			2018-06-11	2018-10-01
1276 625 CAPITAL GR NON US EQUITY				2018-10-16
600 047 DODGE & INTERNATIONAL STOCK FUND				2018-10-16
199 148 JOHN HANCOCK LRF CP CORE - R6			2016-05-20	2018-10-16
674 259 JPM GL RES ENH IDX FD - USD - R6 ISIN US48129C2070			2014-12-15	2018-10-16

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
7,536		7,124	412
10,831		11,779	-948
8,703		8,564	139
11,426		10,965	461
25,321		26,462	-1,141
13,542		13,585	-43
16,494		14,228	2,266
25,340		18,385	6,955
10,280		8,328	1,952
15,245		12,137	3,108

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			412
			-948
			139
			461
			-1,141
			-43
			2,266
			6,955
			1,952
			3,108

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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)
1380 382 PIMCO SHORT TERM FUND INSTL			2018-10-16
1 332 191 PARNASSUS EQTY INCOME FD-INS		2011-11-14	2018-10-16
1550 565 T ROWE PR OVERSEAS STOCK-I			2018-10-16
285 663 GOLDMAN SACHS STRATEGIC INCOME FUND USD ISIN US38147X5317		2018-03-23	2018-10-23
2554 591 GOLDMAN SACHS STRATEGIC INCOME FUND USD ISIN US38147X5317			2018-10-23
1057 809 AQR LONG-SHORT EQUITY-R6			2018-11-13
1228 571 AMERICAN BEACON GLG TR-UTL		2017-06-29	2018-11-13
427 551 GMO SGM MAJOR MARKETS FD-VI		2018-01-08	2018-11-13
1056 884 CHILTON STRATEGIC EUROPEAN EQUITIES FD		2018-01-08	2018-11-30
238 206 BLACKSTONE ALT MULTI-STRAT- Y		2018-11-13	2018-12-07

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
13,666		13,631	35
15,025		8,749	6,276
16,467		13,459	3,008
2,654		2,728	-74
23,732		25,910	-2,178
12,725		13,625	-900
13,207		13,330	-123
13,387		13,827	-440
9,903		11,552	-1,649
2,513		2,535	-22

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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	
			35
			6,276
			3,008
			-74
			-2,178
			-900
			-123
			-440
			-1,649
			-22

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 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)
233 47 CAPITAL GR NON US EQUITY			2016-05-20	2018-12-07
1 137 14 DODGE & COX INCOME FUND			2017-11-17	2018-12-07
652 517 JOHN HANCOCK LRF CP CORE - R6			2016-05-20	2018-12-07
278 775 JPM GL RES ENH IDX FD - USD - R6 ISIN US48129C2070			2014-12-15	2018-12-07
411 358 JPMORGAN CORE BOND FUND ULTRA			2015-08-27	2018-12-07
164 78 PARNASSUS EQTY INCOME FD-INS			2011-11-14	2018-12-07
412 399 PIMCO INVESTMENT GRADE CORPORATE BOND FUND			2018-08-30	2018-12-07
30 VANGUARD BD INDEX FD INC			2018-06-11	2018-12-07
321 046 VANGUARD TOTAL INTL BND-ADM			2018-07-12	2018-12-07
208 166 CHILTON STRATEGIC EUROPEAN EQUITIES FD			2018-01-08	2018-12-24

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
2,911		2,568	343
1,825		1,895	-70
30,375		27,287	3,088
5,902		5,018	884
4,615		4,809	-194
6,718		4,340	2,378
4,079		4,169	-90
2,340		2,342	-2
7,053		7,034	19
1,938		2,275	-337

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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	
			343
			-70
			3,088
			884
			-194
			2,378
			-90
			-2
			19
			-337

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 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)
864 597 DODGE & COX INCOME FUND		2017-11-17	2018-12-28
1 CAPITAL GAIN DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
11,447		11,949	-502
			12,273

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

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	
			-502

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
Guiding Eyes for the Blind 611 GRANITE SPRINGS RD YORKTOWN HE New York, NY 10598	NONE	PC	GENERAL	2,500
GEORGE EASTMAN MUSEUM 900 EAST AVENUE ROCHESTER, NY 146072219	NONE	PC	GENERAL	10,000
Southeastern Guide Dogs 4210 77 TH STREET E Palmetto, FL 34221	NONE	PC	GENERAL	25,000
Total ▶ 3a				72,500

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
STRAZ CENTER FOR THE PERFORMING ARTS 1010 N W C MACINNES PL TAMPA, FL 33602	NONE	PC	GENERAL	25,000
ROCHESTER CITY SCHOOL 131 W BROAD STREET ROCHESTER New York, NY 14614	NONE	PC	GENERAL	10,000
Total ▶ 3a				72,500

TY 2018 Investments Corporate Bonds Schedule**Name:** KENNETH C TOWNSON FUND XXXXX6003**EIN:** 51-0244200**Investments Corporate Bonds Schedule**

Name of Bond	End of Year Book Value	End of Year Fair Market Value
258620103 DOUBLELINE TOTL RET		
4812C0381 JPM CORE BD FD - SEL		
64128K868 NEUBERGER BERMAN HI		
77956H872 T ROWE PR EMERG MKTS		
256210105 DODGE & COX INCOME F		
4812C0100 JPMORGAN CORE BOND-R	48,888	48,771
64128K579 NB HIGH INCOME BOND-		
77956H534 T ROWE PR EMERG MKTS		
92203J308 VANGUARD TOTAL INTL	47,411	47,132
722005816 PIMCO INVESTMENT GRA	23,543	23,077
921937827 VANGUARD SHORT-TERM	11,476	11,550
54401E143 LORD ABBETT SHRT DUR	26,266	26,266
83002G108 SIX CIRCLES ULTRA SH	13,218	13,164

TY 2018 Investments Corporate Stock Schedule

Name: KENNETH C TOWNSON FUND XXXXX6003

EIN: 51-0244200

Investments Corporation Stock Schedule

Name of Stock	End of Year Book Value	End of Year Fair Market Value
115233579 BROWN ADV JAPAN ALPH	12,041	7,787
256206103 DODGE & COX INTL STO	18,914	23,957
464287465 ISHARES MSCI EAFE IN	89,476	91,638
464287507 ISHARES CORE S&P MID		
701769408 PARNASSUS CORE EQUIT	7,552	11,197
922042874 VANGUARD FTSE EUROPE		
14042Y601 CAPITAL GR NON US EQ	24,983	28,167
41013P608 JOHN HANCOCK L/C EQU		
46434G822 ISHARES INC MSCI JAP	13,920	11,304
46637K513 JPM GLBL RES ENH IND		
4812A1654 JPMORGAN TAX AWR EQT	17,857	38,779
77956H757 T ROWE PRICE OVERSEA		
78462F103 SPDR S&P 500 ETF TRU	280,336	382,378
46432F842 ISHARES CORE MSCI EA	63,289	56,210
47803P633 JOHN HANCOCK LRF CP		
48129C207 JPMORGAN GL RES ENH	74,581	82,248
77956H435 T ROWE PR OVERSEAS S	23,797	29,611
315911750 FIDELITY 500 INDEX F	41,445	39,399
46641Q696 JPMORGAN BETABUILDER	27,495	23,470
83002G306 SIX CIRCLES U.S. UNC	52,871	47,432
83002G405 SIX CIRCLES INTERNAT	26,436	23,398

TY 2018 Investments - Other Schedule**Name:** KENNETH C TOWNSON FUND XXXXX6003**EIN:** 51-0244200**Investments Other Schedule 2**

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ALTERNATIVE INVESTMENTS			
00191K500 AQR LONG-SHORT EQUIT			
12628J881 CRM LONG/SHORT OPPOR	AT COST	12,562	11,670
29446A710 EQUINOX FDS TR IPM S	AT COST	12,235	11,455
29446A819 EQUINOX CAMPBELL STR			
38145C646 GOLDMAN SACHS STRAT			
024525172 AMERICAN BEACON GLG			
09257V508 BLACKSTONE ALT MULTI	AT COST	23,731	22,951
25264S833 DIAMOND HILL LONG/SH	AT COST	10,912	9,643

TY 2018 Other Decreases Schedule**Name:** KENNETH C TOWNSON FUND XXXXX6003**EIN:** 51-0244200

Description	Amount
COST BASIS ADJUSTMENT	98
2018 TRANSACTIONS POSTED TO 2019	2,427
SALES WITH FUND UPDATE	8
ROUNDING	3

TY 2018 Other Expenses Schedule**Name:** KENNETH C TOWNSON FUND XXXXX6003**EIN:** 51-0244200**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ATTORNEY GENERAL FEE	250	0		250

TY 2018 Other Increases Schedule

Name: KENNETH C TOWNSON FUND XXXXX6003

EIN: 51-0244200

Description	Amount
2017 TRANSACTIONS POSTED TO 2018	2,413

TY 2018 Taxes Schedule**Name:** KENNETH C TOWNSON FUND XXXXX6003**EIN:** 51-0244200

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL TAX PAYMENT - PRIOR YE	220	0		0
FEDERAL ESTIMATES - INCOME	776	0		0
FOREIGN TAXES ON QUALIFIED FOR	713	713		0
FOREIGN TAXES ON NONQUALIFIED	62	62		0