Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter Social Security numbers on this form as it may be made public

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

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation: TERASEM MOVEMENT FOUNDATION INC.

A Employer identification number: 20-1780425

Number and street (or P O box number if mail is not delivered to street address): P.O. BOX 225 | Room/suite

B Telephone number: (802) 453-8533

City or town, state or province, country, and ZIP or foreign postal code: BRISTOL, VT 05443

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

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

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

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

I Fair market value of all assets at end of year (*from Part II, col (c), line 16*) ▶$ 1,295,302.

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))

		(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				
	2 Check ▶ ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	21,805.	21,805.	21,805.	
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	93,572.			
	b Gross sales price for all assets on line 6a 1,128,468.				
	7 Capital gain net income (from Part IV, line 2)		93,572.		
	8 Net short-term capital gain			2,486.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	677.	0.	677.	STATEMENT 1
	12 Total. Add lines 1 through 11	116,054.	115,377.	24,968.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	48,739.	0.	0.	48,739.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits	3,729.	0.	0.	3,729.
	16a Legal fees				
	b Accounting fees STMT 2	4,969.	0.	0.	4,969.
	c Other professional fees STMT 3	745.	0.	0.	745.
	17 Interest				
	18 Taxes STMT 4	540.	0.	0.	540.
	19 Depreciation and depletion	8,014.	0.	0.	
	20 Occupancy				
	21 Travel, conferences, and meetings	371.	0.	0.	371.
	22 Printing and publications	202.	0.	0.	202.
	23 Other expenses STMT 5	76,840.	12,360.	0.	64,480.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	144,149.	12,360.	0.	123,775.
	25 Contributions, gifts, grants paid	2,000.			2,000.
	26 **Total expenses and disbursements** Add lines 24 and 25	146,149.	12,360.	0.	125,775.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-30,095.			
	b **Net investment income** (if negative, enter -0-)		103,017.		
	c **Adjusted net income** (if negative, enter -0-)			24,968.	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	39,050.	10,591.	10,591.
	2 Savings and temporary cash investments	24,476.	382.	382.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations			
	b Investments - corporate stock STMT 6	648,988.	595,330.	694,780.
	c Investments - corporate bonds STMT 7	401,867.	318,028.	308,303.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	59,271.	224,060.	264,203.
	14 Land, buildings, and equipment basis ▶ 128,746.			
	Less accumulated depreciation STMT 9 ▶ 112,794.	20,786.	15,952.	15,952.
	15 Other assets (describe ▶ OTHER ASSETS)	1,091.	1,091.	1,091.
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item 1)	1,195,529.	1,165,434.	1,295,302.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	1,195,529.	1,165,434.	
	30 Total net assets or fund balances	1,195,529.	1,165,434.	
	31 Total liabilities and net assets/fund balances	1,195,529.	1,165,434.	

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	1,195,529.
2	Enter amount from Part I, line 27a	2	-30,095.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,165,434.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,165,434.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a				
b	SEE ATTACHED STATEMENT			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	1,128,468.		1,034,896.	93,572.

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				93,572.

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** 93,572.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8 **3** 2,486.

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

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

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

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

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

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2012	130,473.	1,193,629.	.109308
2011	138,364.	1,306,029.	.105943
2010	307,540.	1,307,130.	.235279
2009	337,564.	814,513.	.414437
2008	365,925.	632,291.	.578729

2 **Total** of line 1, column (d)	2	1.443696
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.288739
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	1,148,744.
5 Multiply line 4 by line 3	5	331,687.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,030.
7 Add lines 5 and 6	7	332,717.
8 Enter qualifying distributions from Part XII, line 4	8	125,775.

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	2,060.
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	2,060.
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	2,060.
6	Credits/Payments			
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a 1,737.		
b	Exempt foreign organizations - tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c 850.		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments Add lines 6a through 6d		7	2,587.
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached		8	7.
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	520.
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶	520. **Refunded** ▶	11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ VT,DE			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9	X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

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

Website address ▶ TERASEMMOVEMENTFOUNDATION.COM

14 The books are in care of ▶ BRUCE DUNCAN Telephone no ▶ (802) 453-8533

Located at ▶ PO BOX 225, BRISTOL, VT ZIP+4 ▶ 05443

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 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)?		1b		X
	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 2013?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2013 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 2013)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?		4b		X

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

5a During the year did the foundation pay or incur any amount to
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? N/A **5b**
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X
If "Yes" to 6b, file Form 8870.

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 10		48,739.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 SEE STATEMENT 11	75,426.
2 SEE STATEMENT 12	232.
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	1,140,830.
b	Average of monthly cash balances	1b	25,408.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,166,238.
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	1,166,238.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	17,494.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,148,744.
6	**Minimum investment return.** Enter 5% of line 5	6	57,437.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ [X] and do not complete this part)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2013 from Part VI, line 5 — 2a		
b	Income tax for 2013 (This does not include the tax from Part VI) — 2b		
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
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	

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	125,775.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	125,775.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	125,775.

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)

N/A

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only				
b Total for prior years: ______ , ______ , ______				
3 Excess distributions carryover, if any, to 2013				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f Total of lines 3a through e				
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $				
a Applied to 2012, 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 2013 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 (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				
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 2012 Subtract line 4a from line 2a Taxable amount - see instr				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7				
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ▶ 01/17/06

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

	Tax year	Prior 3 years			
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	24,968.	34,662.	34,776.	26,564.	120,970.
b 85% of line 2a	21,223.	29,463.	29,560.	22,579.	102,825.
c Qualifying distributions from Part XII, line 4 for each year listed	125,775.	130,473.	138,364.	307,540.	702,152.
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.	0.	0.	0.	0.
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	125,775.	130,473.	138,364.	307,540.	702,152.
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					0.
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	38,291.	39,787.	43,534.	43,571.	165,183.
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)					0.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income					0.

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))

SEE STATEMENT 13

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient 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				
SMART GROWTH OF BRISTOL 200 HEWITT ROAD BRISTOL, VT 05443	NONE	COMMUNITY ASSOCIATION	TO SUPPORT A COMMUNITY EDUCATION CAMPAIGN ABOUT ENVIRONMENTAL ISSUES AFFECTING THE TOWN OF BRISTOL.	1,000.
ROBERT KOIER DBA ROBERT KOIER FILSM PO BOX 5244 BURLINGTON, VT 05401	NONE	N/A	TO SUPPORT COMPLETION OF A DOCUMENTARY ABOUT THE IMPACT OF HURRICANE IRENE ON VERMONT COMMUNITIES.	1,000.
Total			▶ 3a	2,000.
b Approved for future payment NONE				
Total			▶ 3b	0.

Form **990-PF** (2013)

323611
10-10-13

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	21,805.	
4 Dividends and interest from securities					
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					93,572.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a UTILITY REFUND	900099	400.			
b OTHER INCOME	900099	277.			
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		677.		21,805.	93,572.

13 Total. Add line 12, columns (b), (d), and (e) 13 116,054.

(See worksheet in line 13 instructions to verify calculations)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes)
8	CAPITAL GAIN FROM SALE OF SECURITIES, PART IV

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

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

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

Signature of officer or trustee: Martine Rothblatt | Date: 7/2/14 | Title: PRESIDENT

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
WENDY C GILWEE, CPA	Wendy C Gilwee CPA	7/1/14		P00450631
Firm's name ▶ SULLIVAN, POWERS & COMPANY			Firm's EIN ▶ 03-0276150	
Firm's address ▶ 77 BARRE ST PO BOX 947 MONTPELIER, VT 05601			Phone no 802-223-2352	

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	UBS FINANCIAL SERVICES #31221	P		
b	UBS FINANCIAL SERVICES #31221	P		
c	UBS FINANCIAL SERVICES #31221	P		
d	UBS FINANCIAL SERVICES #31221	P		
e	UBS FINANCIAL SERVICES #31221	P		
f	VANGUARD FTSE EMERGING MARKETS	P		
g	CAPITAL GAINS DIVIDENDS			
h				
i				
j				
k				
l				
m				
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	482,499.		474,234.	8,265.
b	53,422.		59,201.	-5,779.
c	274,949.		237,339.	37,610.
d	269,411.		238,418.	30,993.
e	22.		22.	0.
f	26,766.		25,682.	1,084.
g	21,399.			21,399.
h				
i				
j				
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				** 8,265.
b				** -5,779.
c				37,610.
d				30,993.
e				0.
f				1,084.
g				21,399.
h				
i				
j				
k				
l				
m				
n				
o				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter "-0-" in Part I, line 7 }	2	93,572.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8	3	2,486.

323591
05-01-13

** (SHORT-TERM)

Realized gains and losses

Estimated 2013 gains and losses for transactions with trade dates through 12/31/13 have been incorporated into this statement Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss. *Please check with your tax advisor* To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you *placed your order* This is known as a versus purchases or VSP order

See *Important information about your statement* on the last page of this statement for more information We may not adjust gains and losses for all capital changes. Cost basis for coupon tax-exempt municipal securities, include securities *subject to AMT*, has been adjusted for mandatory amortization of bond premium. Estimates in the Unclassified section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

Short-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
ARBITRAGE FUND NO LOAD CLASS	FIFO	28 035	Dec 18, 12	Apr 15, 13	348 19	349 32		-1 13	
	FIFO	76 516	Dec 18, 12	Apr 15, 13	950 33	953 39		-3 06	
ISHARES GOLD TRUST ETF	FIFO	3,432 000	Sep 18, 12	Mar 18, 13	53,422.34	59,223.47		-5,801 13	
ISHARES MSCI EAFE ETF	FIFO	417 000	Sep 18, 12	Apr 15, 13	24,844 34	22,788 97			2,055 37
ISHARES RUSSELL MIDCAP ETF	FIFO	187 000	Apr 02, 13	Apr 15, 13	23,468 16	23,586.29		-118 13	
ISHARES TRUST CORE S&P SMALL-CAP ETF_	FIFO	454 000	Jan 28, 13	Apr 15, 13	38,142.46	37,845 44			297 02
JHANCOCK2 GLOBAL ABSOLUTE RETURN STRATEGIES FUND CLASS A	FIFO	4,971 443	Jun 13, 12	Apr 15, 13	54,685.87	51,951.58			2,734.29
	FIFO	10 335	Dec 21, 12	Apr 15, 13	113 69	110.07			3 62
	FIFO	21 315	Dec 21, 12	Apr 15, 13	234.46	227.00			7 46
	FIFO	13 159	Dec 21, 12	Apr 15, 13	144 75	140.14			4.61
JOHN HANCOCK DISCIPLINED VALUE MID CAP FUND CLASS A	FIFO	10.742	Dec 17, 12	Apr 15, 13	151.14	136 53			14 61
JP MORGAN CORE BOND FUND SELECT	FIFO	6 451	Apr 30, 12	Apr 15, 13	77 93	77 02			0 91
	FIFO	6 428	May 31, 12	Apr 15, 13	77 65	77.20			0 45
	FIFO	6.232	Jun 29, 12	Apr 15, 13	75.28	74.72			0 56
	FIFO	6 631	Jul 31, 12	Apr 15, 13	80 10	80 24		-0 14	
	FIFO	6 200	Aug 31, 12	Apr 15, 13	74 90	75 08		-0.18	
	FIFO	5.988	Sep 28, 12	Apr 15, 13	72 34	72.57		-0.23	
	FIFO	5 778	Oct 31, 12	Apr 15, 13	69 79	70 03		-0.24	
	FIFO	5 786	Nov 30, 12	Apr 15, 13	69 90	70.18		-0.28	

continued next page

Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	FIFO	0.289	Dec 13, 12	Apr 15, 13	3 49	3 49			
	FIFO	3 161	Dec 13, 12	Apr 15, 13	38.18	38 22		-0.04	
	FIFO	6 963	Dec 31, 12	Apr 15, 13	84 12	83 97			0.15
	FIFO	5 440	Jan 31, 13	Apr 15, 13	65 71	65.17			0.54
	FIFO	5 664	Feb 28, 13	Apr 15, 13	68 42	68.02			0.40
	FIFO	5 681	Mar 28, 13	Apr 15, 13	68.63	68 17			0.46
JP MORGAN MID CAPVALUE FUND CLASS A	FIFO	40 598	Apr 16, 13	May 01, 13	1,250.00	1,247 98			2 02
	FIFO	74.605	Apr 16, 13	Sep 26, 13	2,500 00	2,293 36			206.64
LORD ABBETT INCOME FUND CLASS A	FIFO	657 895	Apr 16, 13	May 01, 13	2,000 00	1,993 42			6.58
	Adjustment	1,403 509	Apr 16, 13	Sep 26, 13	4,000 00	4,204 06	-48 57	-204.06	
LORD ABBETT SHORT DURATION INCOME FUND CLASS A	FIFO	322.581	Apr 16, 13	May 01, 13	1,500 00	1,500 00			
	Adjustment	657 895	Apr 16, 13	Sep 26, 13	3,000.00	3,050 51	-8 70	-50 51	
MAINSTAY ICAP INTERNATIONAL FUND A	FIFO	38 845	Dec 07, 12	Apr 15, 13	1,210 80	1,128 06			82 74
OAKMARK INTL FUND CLASS I	FIFO	85 911	Apr 16, 13	May 01, 13	2,000.00	1,933 00			67 00
	FIFO	152 964	Apr 16, 13	Sep 26, 13	4,000 00	3,441 69			558 31
OPPENHEIMER DEVELOPING MARKETS FUND CL A	FIFO	28 082	Apr 16, 13	May 01, 13	1,000 00	984.27			15 73
	FIFO	53 591	Apr 16, 13	Sep 26, 13	2,000 00	1,878 37			121 63
PARADIGM VALUE FUND	FIFO	2.660	Dec 28, 12	Jan 28, 13	156.17	147 87			8 30
PUTNAM CAPITAL SPECTRUM A	FIFO	69 180	Apr 16, 13	May 01, 13	2,000.00	1,957 10			42 90
	FIFO	121 729	Apr 16, 13	Sep 26, 13	4,000.00	3,443 71			556 29
RIVERPARK/WEDGEWOOD RETAIL FUNDS	FIFO	16 756	Dec 13, 12	Apr 15, 13	239 28	229 39			9.89

continued next page

Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
SPDR BARCLAYS 1-3 MTH T-BILL ETF	FIFO	264 000	May 24, 12	Jan 24, 13	12,090.93	12,098.38		-7 45	
	FIFO	395 000	Jul 25, 12	Jan 24, 13	18,090.59	18,101 39		-10 80	
	FIFO	647 000	Nov 13, 12	Jan 24, 13	29,631.94	29,645.54		-13.60	
	FIFO	592 000	Nov 13, 12	Apr 15, 13	27,115.00	27,125 44		-10 44	
	FIFO	1,159 000	Mar 18, 13	Apr 15, 13	53,084 95	53,098 43		-13.48	
TETON WESTWOOD MIGHTY MITES FUND CLASS AAA	FIFO	61 546	Apr 16, 13	May 01, 13	1,250 00	1,253.08		-3.08	
	FIFO	104 910	Apr 16, 13	Sep 26, 13	2,500.00	2,135.96			364 04
VANGUARD BD INDEX FD INC TOTAL BOND MKT ETF	FIFO	1,128.000	Nov 13, 12	Apr 15, 13	94,648.47	95,913.84		-1,265.37	
VANGUARD TOTAL STOCK MKT ETF	FIFO	776 000	Jan 24, 13	Apr 15, 13	62,516 03	59,907 20			2,608.83
YACKTMAN FOCUSED FUND SERVICE CLASS	FIFO	96.318	Apr 16, 13	May 01, 13	2,205.00	2,242 28		-37.28	
	FIFO	183.299	Apr 16, 13	Sep 26, 13	4,500 00	4,267 20			232.80
Total					**$535,921.33**	**$533,457.81**		**-$7,540.63**	**$10,004.15**
Net short-term capital gains and losses									**$2,463.52**

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
AQR MANAGED FUTURES STRATEGY FUND CLASS N	FIFO	47 847	Aug 17, 10	May 01, 13	500.00	464 59			35.41
	FIFO	100.604	Aug 17, 10	Sep 26, 13	1,000 00	976 87			23 13
ARBITRAGE FUND NO LOAD CLASS	FIFO	3,607.322	Jun 30, 11	Apr 15, 13	44,802 94	46,390.16		-1,587.22	
	FIFO	87.254	Dec 19, 11	Apr 15, 13	1,083.70	1,118.59		-34.89	
	FIFO	0 715	Dec 19, 11	Apr 15, 13	8.88	9.17		-0.29	
CALAMOS MARKET NEUTRAL INCOME FUND CLASS A	FIFO	186 137	Mar 16, 10	Jan 25, 13	2,382 55	2,175 94			206 61
	FIFO	97 125	Mar 16, 10	May 01, 13	1,250 00	1,135.39			114 61

continued next page

Your Financial Advisor:
BERK/MYERS
202-585-4000/800-382-9989

Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	FIFO	192.901	Mar 16, 10	Sep 26, 13	2,500 00	2,255.01			244 99
FMI LARGE CAP FUND	FIFO	116.339	Nov 03, 11	May 01, 13	2,250.00	1,799 77			450 23
	FIFO	217 496	Nov 03, 11	Sep 26, 13	4,500.00	3,364.66			1,135 34
FRANKLIN/TEMPLETON GLOBAL BOND FUND CLASS A	FIFO	91 575	Mar 16, 10	May 01, 13	1,250 00	1,210 62			39 38
	FIFO	191.865	Mar 16, 10	Sep 26, 13	2,500 00	2,536 46		-36 46	
JOHN HANCOCK DISCIPLINED VALUE MID CAP FUND CLASS A	FIFO	2,850.728	Mar 24, 10	Apr 15, 13	40,109 75	27,538 03			12,571.72
	FIFO	4.081	Dec 21, 10	Apr 15, 13	57 42	44 40			13 02
	FIFO	344.733	Jun 15, 11	Apr 15, 13	4,850 39	3,957 53			892.86
	FIFO	5.187	Dec 16, 11	Apr 15, 13	72 98	54 88			18 10
	FIFO	9 921	Dec 16, 11	Apr 15, 13	139 59	104 96			34 63
JP MORGAN CORE BOND FUND SELECT	FIFO	603 267	Mar 16, 10	Apr 15, 13	7,287 47	6,780 72			506 75
	FIFO	3 867	Apr 01, 10	Apr 15, 13	46 71	43.27			3 44
	FIFO	4 332	May 03, 10	Apr 15, 13	52 33	48.82			3.51
	FIFO	4.315	Jun 01, 10	Apr 15, 13	52 12	48 98			3 14
	FIFO	3 930	Jul 01, 10	Apr 15, 13	47 48	45.04			2.44
	FIFO	4 511	Aug 02, 10	Apr 15, 13	54.49	52 01			2 48
	FIFO	4 125	Sep 01, 10	Apr 15, 13	49 83	48 06			1.77
	FIFO	4.249	Oct 01, 10	Apr 15, 13	51.33	49 59			1.74
	FIFO	4 373	Nov 01, 10	Apr 15, 13	52 83	51 12			1 71
	FIFO	4 413	Dec 01, 10	Apr 15, 13	53 30	51.28			2 02
	FIFO	4 732	Jan 03, 11	Apr 15, 13	57 17	54 23			2 94
	FIFO	4 504	Feb 01, 11	Apr 15, 13	54 41	51 62			2 79
	FIFO	4 401	Mar 01, 11	Apr 15, 13	53 16	50 39			2 77
	FIFO	1,555.183	Mar 31, 11	Apr 15, 13	18,786 61	17,760 19			1,026 42
	FIFO	4 549	Apr 01, 11	Apr 15, 13	54.95	51 95			3 00
	FIFO	9 262	Apr 29, 11	Apr 15, 13	111 89	106 70			5 19

continued next page

Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	FIFO	9 475	May 31, 11	Apr 15, 13	114.45	110 00			4 45
	FIFO	325 028	Jun 15, 11	Apr 15, 13	3,926.34	3,789 83			136 51
	FIFO	10 023	Jun 30, 11	Apr 15, 13	121.08	115 77			5 31
	FIFO	9 641	Jul 29, 11	Apr 15, 13	116.46	112 80			3.66
	FIFO	10 142	Aug 31, 11	Apr 15, 13	122 52	119 78			2 74
	FIFO	10 148	Sep 30, 11	Apr 15, 13	122 59	120.15			2 44
	FIFO	10 195	Nov 01, 11	Apr 15, 13	123 15	120 50			2 65
	FIFO	9 683	Dec 01, 11	Apr 15, 13	116 97	114 16			2 81
	FIFO	6 268	Dec 16, 11	Apr 15, 13	75 72	74.28			1 44
	FIFO	9 981	Jan 03, 12	Apr 15, 13	120.57	118.08			2 49
	FIFO	7.073	Jan 31, 12	Apr 15, 13	85.44	84 31			1 13
	FIFO	6 870	Feb 29, 12	Apr 15, 13	82 99	81.89			1 10
	FIFO	7 158	Mar 30, 12	Apr 15, 13	86.47	84 75			1.72
MAINSTAY ICAP INTERNATIONAL FUND A	FIFO	776 211	Mar 16, 10	Apr 15, 13	24,194 50	21,842 58			2,351.92
	FIFO	17 875	Jun 29, 10	Apr 15, 13	557.16	425 60			131 56
	FIFO	2.555	Dec 13, 10	Apr 15, 13	79 64	75 01			4.63
	FIFO	160 064	Jun 15, 11	Apr 15, 13	4,989.20	4,845.14			144.06
	FIFO	22.376	Jun 29, 11	Apr 15, 13	697 46	684 26			13 20
	FIFO	0.457	Dec 07, 11	Apr 15, 13	14 24	12 33			1.91
	FIFO	1,208 734	Jan 19, 12	Apr 15, 13	37,676 24	33,445.68			4,230 56
MAINSTAY MARKETFIELD FUND CLASS I	FIFO	75 483	Feb 16, 12	May 01, 13	1,250 00	1,091 48			158 52
	FIFO	138.045	Feb 16, 12	Sep 26, 13	2,500.00	1,996.14			503 86
MANNING & NAPIER FD, INC.WORLD OPPORTUNITIES SRS	FIFO	213.936	Mar 16, 10	May 01, 13	1,750 00	1,764 97		-14.97	
	FIFO	393.701	Mar 16, 10	Sep 26, 13	3,500.00	3,248 04			251 96
PARADIGM VALUE FUND	Adjustment	353.096	Mar 16, 10	Jan 28, 13	20,730 26	16,376 56			4,353.70
	Adjustment	0.971	Dec 29, 10	Jan 28, 13	57.01	53 56			3 45
	Adjustment	54.872	Jun 15, 11	Jan 28, 13	3,221.54	3,026.73			194 81

continued next page

Account name: TERASEM MOVEMENT FOUNDATION
Account type: PACE Multi
Account number: WS 31221 AW

Your Financial Advisor: BERK/MYERS
202-585-4000/800-382-9989

Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	Adjustment	6.465	Dec 29, 11	Jan 28, 13	379 56	340 58			38 98
	Adjustment	226 570	Jan 19, 12	Jan 28, 13	13,301 92	12,486 26			815 66
PRUDENTIAL JENNISON MID-CAP GROWTH FUND INC A	FIFO	36.939	Mar 24, 10	May 01, 13	1,250 00	895 03			354 97
	FIFO	66 881	Mar 24, 10	Sep 26, 13	2,500 00	1,620.53			879.47
RIVERPARK/WEDGEWOOD RETAIL FUNDS	FIFO	1,959.706	Nov 09, 11	Apr 15, 13	27,984.60	22,164 27			5,820 33
	FIFO	3,338 024	Jan 19, 12	Apr 15, 13	47,666 98	40,657 13			7,009 85
SPDR S&P 500 ETF TR	FIFO	140.000	Aug 08, 11	Apr 15, 13	21,952 00	15,902.36			6,049 64
	FIFO	736 000	Jan 19, 12	Apr 15, 13	115,404 79	96,717 76			18,687 03
VANGUARD BD INDEX FD INC TOTAL BOND MKT ETF	FIFO	415 000	Jan 19, 12	Apr 15, 13	34,821.91	34,673 25			148 66
VANGUARD FTSE EMERGING MARKETS ETF	FIFO	442 000	Mar 16, 10	Apr 02, 13	18,780.52	18,298 77			481 75
	FIFO	105 000	Jun 15, 11	Apr 02, 13	4,461 43	4,919 15		-457 72	
VIRTUS MULTI-SECTOR SHORT TERM BOND FUND - CLASS A	FIFO	506 767	Mar 16, 10	Apr 29, 13	2,523 70	2,376 74			146 96
	FIFO	450 902	Mar 16, 10	May 01, 13	2,250.00	2,114 73			135 27
	FIFO	203 337	Mar 16, 10	Jul 24, 13	988 22	953 65			34 57
	FIFO	927 835	Mar 16, 10	Sep 26, 13	4,500.00	4,351.55			148.45
	FIFO	622 572	Mar 16, 10	Oct 24, 13	3,038 15	2,919 86			118.29
Total					**$544,360.06**	**$475,757.00**		**-$2,131.55**	**$70,734.61**
Net long-term capital gains or losses									**$68,603.06**
Net capital gains/losses:									**$71,066.58**

UBS Financial Services Inc.
1000 Harbor Boulevard
Weehawken, NJ 07086-6790
Federal ID 13-2638166

Your Financial Advisor:
BERK/MYERS
202-585-4000/800-382-9989

Payer:
TERASEM MOVEMENT FOUNDATION
INC
736 UPPER NOTCH RD
LINCOLN VT 05443-5117

2013 Informational Statement

Account Number: WS 31221 AW
Tax Identification Number: 20-1780425

Proceeds from Broker Transactions (continued)

Term undetermined transactions for noncovered securities; included in Box 2a

Activity type	*Quantity / face value (Box 1e)*	*Original cost basis ($)*	*Date acquired (Box 1b)*	*Date of sale / exchange (Box 1a)*	*Sale amount (Box 2a) ($)*	*Cost or other basis (Box 3) ($)*	*Wash sale loss disallowed (Box 5) ($)*	*Federal income tax withheld (Box 4) ($)*	*Loss not allowed (Box 2b)*	*Gain/Loss ($)*
Description (Box 8) ISHARES GOLD TRUST ETF					*CUSIP* 464285105	*Symbol (Box 1d)* IAU				
Return of Principal				01/31/13	11 77					*Not Calculated*
Return of Principal				02/28/13	10 64					*Not Calculated*
Sub Total					**22.41**					
Total					**$22.41** ✓	22 ✓				
Total					**$1,080,303.80**					

FORM 990-PF OTHER INCOME STATEMENT 1

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
UTILITY REFUND	400.	0.	400.
OTHER INCOME	277.	0.	277.
TOTAL TO FORM 990-PF, PART I, LINE 11	677.	0.	677.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONTRACT SERVICE-ACCTG	4,969.	0.	0.	4,969.
TO FORM 990-PF, PG 1, LN 16B	4,969.	0.	0.	4,969.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONTRACT SERVICES-G&A	745.	0.	0.	745.
TO FORM 990-PF, PG 1, LN 16C	745.	0.	0.	745.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OTHER TAXES	540.	0.	0.	540.
TO FORM 990-PF, PG 1, LN 18	540.	0.	0.	540.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	601.	0.	0.	601.
BOOKS, PERIODICALS EXPENSE	13.	0.	0.	13.
INSURANCE - BUSINESS	2,645.	0.	0.	2,645.
INTERNET SERVICE	11.	0.	0.	11.
OFFICE SUPPLIES	1,520.	0.	0.	1,520.
SERVER HOSTING	6,043.	0.	0.	6,043.
POSTAGE AND SHIPPING	618.	0.	0.	618.
TELEPHONE	5,383.	0.	0.	5,383.
PAYROLL SERVICE FEES	1,709.	0.	0.	1,709.
SMALL EQUIPMENT PURCHASES	2,307.	0.	0.	2,307.
WORKER COMP INSURANCE	422.	0.	0.	422.
RESEARCH PROJECT	25,367.	0.	0.	25,367.
BIO FILE	2,224.	0.	0.	2,224.
INVESTMENT FEES	12,360.	12,360.	0.	0.
LEASED EQUIPMENT	13,000.	0.	0.	13,000.
MISCELLANEOUS EXPENSE	217.	0.	0.	217.
SATELITE DISH FEE	2,400.	0.	0.	2,400.
TO FORM 990-PF, PG 1, LN 23	76,840.	12,360.	0.	64,480.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
UBS INVESTMENTS	595,330.	694,780.
TOTAL TO FORM 990-PF, PART II, LINE 10B	595,330.	694,780.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
UBS INVESTMENTS	318,028.	308,303.
TOTAL TO FORM 990-PF, PART II, LINE 10C	318,028.	308,303.

FORM 990-PF — OTHER INVESTMENTS — STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
UBS INVESTMENTS	COST	224,060.	264,203.
TOTAL TO FORM 990-PF, PART II, LINE 13		224,060.	264,203.

FORM 990-PF — DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT — STATEMENT 9

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
DELL COMPUTER	40,489.	40,489.	0.
MYSPL INC SOFWARE	1,995.	1,995.	0.
ADOBE PHOTOSHOP 2	556.	556.	0.
AUTO DESK 2 SOFTWARE	5,513.	5,513.	0.
EDGEMONT VIDEO EQUIPMENT	2,496.	2,496.	0.
SAFE HARBOR COMP SOFTWARE	622.	622.	0.
SONY DSR-11 DVCAM	1,699.	1,699.	0.
FURNITURE	1,141.	1,141.	0.
COMPUTER HARDWARE	9,732.	9,732.	0.
SOFTWARE	1,564.	283.	1,281.
IPHONE	635.	635.	0.
COMPUTER EQUIPMENT	6,102.	6,102.	0.
EQUIPMENT	4,207.	4,019.	188.
GLASSES KIT	1,830.	1,681.	149.
SPY GLASSES	714.	655.	59.
SOFTWARE	854.	854.	0.
CAMERA/DVR	639.	639.	0.
HARDWARE (NICK'S COMPUTER	300.	291.	9.
HEADSET	525.	509.	16.
BIO FILE LAB EQUIPMENT	33,210.	22,835.	10,375.
BLOWER & INSTALLATION	1,745.	1,199.	546.
TEMPATURE MONITORING EQUIPMENT FOR CRYO FREEZER	830.	571.	259.
MAC MINI	1,160.	960.	200.
LAPTOP - NICK	2,490.	2,060.	430.
MAC PRO LAPTOP - BD	2,305.	1,908.	397.
COMPUTER EQUIPMENT	518.	394.	124.
COMPUTER LAPTOP	1,045.	794.	251.
IPAD	650.	494.	156.
OFFICE DESK	130.	67.	63.
COMPUTER EQUIPMENT	3,050.	1,601.	1,449.
TOTAL TO FM 990-PF, PART II, LN 14	128,746.	112,794.	15,952.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MARTINE ROTHBLATT PO BOX 225 BRISTOL, VT 05443	PRESIDENT/DIRECTOR 5.00	0.	0.	0.
BINA ROTHBLATT PO BOX 225 BRISTOL, VT 05443	SECRETARY/DIRECTOR 3.00	0.	0.	0.
BRUCE DUNCAN PO BOX 225 BRISTOL, VT 05443	MANAGING DIRECTOR 40.00	48,739.	0.	0.
JIM SORRENTINO PO BOX 225 BRISTOL, VT 05443	TREASURER/DIRECTOR 1.00	0.	0.	0.
JENESIS ROTHBLATT PO BOX 225 BRISTOL, VT 05443	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		48,739.	0.	0.

FORM 990-PF SUMMARY OF DIRECT CHARITABLE ACTIVITIES STATEMENT 11

ACTIVITY ONE

RESEARCH PROJECT: LIFENAUT.COM: DEVELOPMENT OF WEB-BASED EDUCATIONAL SERVICE TO PROVIDE THE GENERAL PUBLIC WITH INFORMATION DEMONSTRATING THE PRACTICALITY AND IMPORTANCE OF ACHIEVING DIVERSITY, UNITY, AND JOYFUL IMMORTALITY FOR BIOLOGICAL AND CYBERMETRIC CONSCIOUSNESS VIA NANO TECHNOLOGY AND GEO ETHICS AND THE DIGITAL ARCHIVAL OF PERSONAL BIOGRAPHICAL INFORMATION.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 1	75,426.

FORM 990-PF	SUMMARY OF DIRECT CHARITABLE ACTIVITIES	STATEMENT 12

ACTIVITY TWO

INDEPENDENT FILM: "2B": DISTRIBUTION OF AN INDEPENDENT FILM THAT PROVIDES INFORMATION TO THE GENERAL PUBLIC TO STIMULATE PUBLIC AWARENESS OF CYBER-CONSCIOUSNESS AND NANOTECHNOLOGY WHILE ALSO EDUCATING THE PUBLIC ABOUT THE PERILS OF FLESHISM AS A NEW FORM OF RACISM.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 2	232.

FORM 990-PF	PART XV - LINE 1A LIST OF FOUNDATION MANAGERS	STATEMENT 13

NAME OF MANAGER

MARTINE ROTHBLATT
BINA ROTHBLATT