OFFICERS AND TRUSTEES

Gail E. Lanphear ................................................................. President
Lisa J. Gerstacker ........................................... Vice President, Asst. Treasurer
Mary M. Neely .................................................................... Secretary
Alan W. Ott ................................................................. Treasurer
W. James Allen ................................................................. Asst. Treasurer, Asst. Secretary
Laurie G. Bouwman ................................................................. Trustee
William C. Lauderbach ................................................................. Trustee
William D. Schuette ................................................................. Trustee
Michael Woolhiser ................................................................. Trustee
Kathy McDonald, Staff Assistant

THE MEDICAL COMMITTEE

Michael Woolhiser, Ph.D. (Chairman)
Darrell R. Boverhof, Ph.D.
Brian B. Gourlie, Ph.D.
Matthew J. LeBaron, Ph.D.
Patricia LoRusso, D.O.
*Ahmed Abdel Maksoud, M.D.
*Rosalyn M. Sweeting, Ph.D.
David H. Swenson, Ph.D.
Bing Yang, Ph.D.

* Members of Medical Committee – April 10, 2012

PURPOSE OF THE FOUNDATION

The Elsa U. Pardee Foundation was established in 1944 under the terms of the will of its namesake, whose life was taken by cancer on October 2, 1944. Mrs. Pardee provided a $1,000,000 trust fund “for the promotion of the control and cure of cancer.” She directed that this bequest be used to support research in the field of cancer and to provide for others the advantages of knowledge and techniques still undiscovered in the treatment of cancer.

Cover Photo

Elsa U. Pardee with her husband, James T. Pardee, former board chairman of The Dow Chemical Company.
It is with a sense of gratitude that I look back on 2012: gratitude to my great aunt Elsa Pardee who herself a victim of cancer, designated funds for “the control and cure of cancer” in 1944; and to the dedicated trustees and Medical Committee members who have donated experience and expertise to our decision making over the last 68 years. Prudent management and distribution of these Pardee funds over 68 years has enabled the Foundation to impact cancer research and the lives of individual victims in significant ways. 2012 was no exception.

Two new Medical Committee members were appointed to review and evaluate research grants. Ahmed Abdel-Maksoud, M.D. and Rosalyn Sweeting, Ph.D. joined our esteemed Medical Committee this year. We welcome them and appreciate their significant commitment. The Medical Committee is the heart of our research effort.

In 2012 we learned that our beloved administrative assistant, Lucille Dougherty, would be retiring in March 2013. Lucille is irreplaceable, about that there is no doubt. She will be missed terribly. Her 30 years of devoted service reveal a spotless reputation in all respects. Those of us associated with the Pardee Foundation wish Lucille the very best in her well-deserved retirement. The administrative bright spot in 2012 was the hiring of Kathy McDonald as our new administrative assistant. She comes to us highly recommended. Welcome Kathy.

Total funds approved for distribution in 2012 was $3.7 million. Of that, $2.4 million was distributed for research. The Pardee Medical Committee expertly chaired by Mike Woolhiser, evaluated 160 research grant proposals with 20 being funded. $1.125 million was approved to support six Pardee Cancer Treatment Funds who served a total of 747 victims of cancer in 2012. The average amount spent per individual was $1685. Additionally, $183,000 was approved to support education initiatives.

I am amazed at the progress in the realm of cancer research and treatment during my 57 years of service with the Foundation. Despite the fact that we have many miles to go, it is exciting to have a role in funding outstanding research, and treatment to victims in need.

My heartfelt appreciation goes to our Pardee trustees, Medical Committee members, Treatment Committee boards and staff, and administrative assistants for their dedicated service that makes these efforts possible.

Sincerely,

Gail E. Lanphear
President
**Grants Made By The Foundation**
**For the Year Ended December 31, 2012**

<table>
<thead>
<tr>
<th>Recipient and Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boston University – For the study of targeting a novel G protein activator for cancer therapeutics</td>
<td>$154,787</td>
</tr>
<tr>
<td>University of California – For the study of novel roles of microRNA let-7C in prostate cancer ($411,049); for the study of the potential application of irreversible electroporation (IRE) in the treatment of pancreatic cancer ($155,214); for the study of the role of autophagy in promoting treatment resistance in glioblastoma ($122,627)</td>
<td>418,890</td>
</tr>
<tr>
<td>University of Cincinnati – For the study of targeting tumor-associated fibroblasts as a therapeutic strategy in melanoma</td>
<td>81,385</td>
</tr>
<tr>
<td>Henry Ford Health System – For the study of CDDO-Me, a novel triterpenoid for the treatment of pancreatic cancer</td>
<td>95,025</td>
</tr>
<tr>
<td>University of Illinois, Chicago – For the study of determining the therapeutic value of targeting the breast tumor kinase PTK6 in breast cancer</td>
<td>157,461</td>
</tr>
<tr>
<td>University of Iowa – For the study of multifunctional RNA-based therapy for advanced cancers of the breast</td>
<td>100,000</td>
</tr>
<tr>
<td>John Hopkins University – For the study of in vitro and in vivo characterization of miR-675 in esophageal squamous cell carcinomas</td>
<td>124,858</td>
</tr>
<tr>
<td>University of Michigan – For the study of CYR61/CCN1 increasing tumor growth and metastasis in human ovarian cancer ($123,949); for support of a medical oncology fellowship training program ($100,000)</td>
<td>223,949</td>
</tr>
<tr>
<td>University of Nebraska – For the study of hPaf1 in the drug resistance of ovarian cancer stem cells (125,000); for the study of direct protein kinase activity sensors for interrogating clinically relevant signaling pathways ($94,023)</td>
<td>219,023</td>
</tr>
<tr>
<td>Pennsylvania State University – For the study of the development of novel thiobarbituric acid analogs for lung cancer ($125,000); for the study of regulation of myeloid derived suppressor cell activity by B cells ($157,013)</td>
<td>282,013</td>
</tr>
<tr>
<td>University of South Florida – For the study of novel proteasome inhibitors as potential anti-cancer agents</td>
<td>117,399</td>
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<tr>
<td>University of Texas, MD Anderson – For the study of coordinate regulation of the ECFR signaling pathway by microRNA in head and neck cancer ($148,286); for the study of oncogenic mutations in circulating tumor DNA in personalized cancer therapy ($130,440); for the evaluation of TAK1 as a tumor suppressor gene in prostate cancer ($141,211)</td>
<td>419,937</td>
</tr>
<tr>
<td>Yale University – For the study of a novel apoptosis inducing therapy targeted to mitochondria in cancer cells</td>
<td>131,050</td>
</tr>
<tr>
<td>MidMichigan Medical Center – For continuation of the cancer registry ($75,000); for the memorial lectureship program ($1,300)</td>
<td>76,300</td>
</tr>
<tr>
<td>Pardee Cancer Treatment Association of Greater Brazosport, TX – For a program supporting the cure and control of cancer</td>
<td>50,000</td>
</tr>
<tr>
<td>Pardee Cancer Treatment Fund of Bay County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Bay County</td>
<td>150,000</td>
</tr>
<tr>
<td>Fund</td>
<td>Grant Amount</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Pardee Cancer Treatment Fund of Clare County</td>
<td>150,000</td>
</tr>
<tr>
<td>Pardee Cancer Treatment Fund of Gratiot County</td>
<td>175,000</td>
</tr>
<tr>
<td>Pardee Cancer Treatment Fund of Isabella County</td>
<td>200,000</td>
</tr>
<tr>
<td>Council of Michigan Foundations</td>
<td>7,200</td>
</tr>
</tbody>
</table>

**Total Grants**: $3,334,277

- Increase (decrease) in grants authorized but unpaid: 400,000
- Grant funds returned: (108,158)
- Administrative expense: 240,521
- Federal Excise Tax: 83,893
- Other Taxes: 13,489

**Total Disbursements**: $3,964,022
Statement of Assets, Liabilities and Net Assets – Modified Cash Basis

December 31, 2012

**Assets**

Cash and cash equivalents $ 8,581,146  
Marketable securities (at fair market value):  
  Stocks 52,374,838  
  Corporate bonds 6,358,450  
  Foreign bonds 1,635,635  
  Government bonds 10,552,734  
  Certificates of deposit 249,777  
  Mutual funds 1,782,353  
Total marketable securities 72,953,787  
Limited partnerships 416,051  
Total assets $ 81,950,984

**Liabilities**

Federal excise tax payable $ 2,500  
Grants payable 400,000  
Total liabilities 402,500

**Unrestricted net assets**

Unrestricted net assets 81,548,484  
Total unrestricted net assets $ 81,950,984

Statement of Revenue, Expenses, and Changes in Net Assets – Modified Cash Basis

Year ended December 31, 2012

**Revenues and gains (losses)**

Interest $ 603,876  
Dividends 2,197,777  
Contributions 500  
Net realized gain on investments 1,643,487  
Net unrealized gain on investments 5,517,762  
Losses from limited partnerships (87,205)  
Total revenue and gains (losses) 9,876,197

**Grants**

Grants authorized:  
  Grant payments made 3,334,277  
  Grant funds returned (108,159)  
  Increase in grants authorized but unpaid 400,000  
Total grants 3,626,118

**Other expenses**

Administrative 240,522  
Federal excise taxes 83,893  
Other taxes 13,489  
Total other expenses 337,904  
Total grants and other expenses 3,964,022  
Increase in unrestricted net assets 5,912,175  
Unrestricted net assets at beginning of period 75,636,309  
Unrestricted net assets at end of period $ 81,548,484
The Elsa U. Pardee Foundation operates under the laws of the State of Michigan, with headquarters in Midland, Michigan. Since its establishment (the Articles of Incorporation were filed December 28, 1944), the trustees have been responsible for allocating the funds to the best uses for which the late Mrs. Pardee intended them.

The Foundation does not directly administer the programs which it supports. The recipients are asked to submit yearly progress reports and a financial accounting concerning the expenditures of the research grant.

Grants are limited under the terms of the charter to the cure and control of cancer, and in general do not provide for building funds, equipment (except that used in a specific project), fellowships or fund-raising campaign contributions.

The Elsa U. Pardee Foundation provides support for research directed towards the detection, treatment, and cure of cancer. Priority is given to researchers at non-profit institutions in the United States who are new to the field of cancer research, or to established research investigators examining new approaches to cancer cure.

An attempt is made to initiate several new projects each year, as other projects are concluded. The Foundation particularly welcomes innovative, small-scale, short-term projects which may be difficult to fund elsewhere until some interesting results are obtained.

Elsa U. Pardee Foundation
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Midland, Michigan 48641-2767

Telephone: (989) 832-3691
Website: www.pardeefoundation.org