Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2011

For calendar year 2011, or tax year beginning , 2011, and ending ,

ALARAB EDUCATION FOUNDATION
P.O. BOX 6879
INCLINE VILLAGE, NV 89454

A Employer identification number 27-2956336

B Telephone number (see the instructions) (510) 487-1155

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

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

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 2,095,104.

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

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 (att sch)				
	2	Ck ► ☒ if the foundn is not req to att Sch B				
	3	Interest on savings and temporary cash investments	11.	11.	11.	
	4	Dividends and interest from securities	58,908.	58,908.	58,908.	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain/(loss) from sale of assets not on line 10	35,958.			
	b	Gross sales price for all assets on line 6a 458,504.				
	7	Capital gain net income (from Part IV, line 2)		35,958.		
	8	Net short-term capital gain			35,958.	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit/(loss) (att sch)				
	11	Other income (attach schedule) See Statement 1	-5,631.	-5,631.		
	12	**Total.** Add lines 1 through 11	89,246.	89,246.	94,877.	
OPERATING AND ADMINISTRATIVE EXPENSES	13	Compensation of officers, directors, trustees, etc	0.			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) See St 2	207.			
	b	Accounting fees (attach sch)				
	c	Other prof fees (attach sch)				
	17	Interest	2,098.	2,098.		
	18	Taxes (attach schedule)(see instrs) See Stm 3	204.	204.		
	19	Depreciation (attach sch) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) See Statement 4	7,341.	6,408.		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	9,850.	8,710.		
	25	Contributions, gifts, grants paid Stmt 5	13,424.			13,424.
	26	**Total expenses and disbursements.** Add lines 24 and 25	23,274.	8,710.	0.	13,424.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	65,972.			
	b	**Net investment income** (if negative, enter -0-)		80,536.		
	c	**Adjusted net income** (if negative, enter -0-)			94,877.	

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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		785.	785.
	2	Savings and temporary cash investments		213,216.	213,216.
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch) ▶ Less· allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) Statement 6	1,999,870.	1,065,918.	1,092,626.
	c	Investments – corporate bonds (attach schedule). Statement 7		543,358.	494,365.
	11	Investments – land, buildings, and equipment: basis. ▶ Less. accumulated depreciation (attach schedule) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) Statement 8		255,503.	294,112.
	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)	1,999,870.	2,078,780.	2,095,104.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons	6,149.		
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)	2.		
	23	**Total liabilities** (add lines 17 through 22)	6,151.	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			
	28	Paid-in or capital surplus, or land, building, and equipment fund		20,000.	
	29	Retained earnings, accumulated income, endowment, or other funds	1,993,719.	2,058,780.	
	30	**Total net assets or fund balances** (see instructions)	1,993,719.	2,078,780.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,999,870.	2,078,780.	

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	1,993,719.
2	Enter amount from Part I, line 27a	2	65,972.
3	Other increases not included in line 2 (itemize) ▶ See Statement 9	3	20,000.
4	Add lines 1, 2, and 3	4	2,079,691.
5	Decreases not included in line 2 (itemize) ▶ See Statement 10	5	911.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	2,078,780.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	VARIOUS SEE CHARLES SCHWAB SCHED ST CAPITAL GAIN	P	Various	Various
b	1,000.0000 USB CAPITAL VII 5.875% DUE 8/15/35 CALL	P	Various	9/08/11
c	VARIOUS SEE WELLS FARGO ST CAP GAIN SCHEDULES	P	Various	Various
d	VARIOUS OPTIONS - WELLS FARGO ADVISORS 7964-7135	P	Various	Various
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	246,399.		230,576.	15,823.
b	25,000.		24,635.	365.
c	184,888.		167,335.	17,553.
d	2,217.			2,217.
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				15,823.
b				365.
c				17,553.
d				2,217.
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 — 35,958.

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 — 35,958.

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) N/A

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 (column (b) divided by column (c))
2010			
2009			
2008			
2007			
2006			

2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII, line 4	8	

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)

1 a	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 instrs)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b			1	1,611.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	1,611.
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	1,611.
6	Credits/Payments:				
a	2011 estimated tax pmts and 2010 overpayment credited to 2011	6a			
b	Exempt foreign organizations — tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	0.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►			9	1,611.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ►		**Refunded** ►	11	

Part VII-A Statements Regarding Activities

			Yes	No
1 a	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 the instructions for 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?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?. *If 'Yes,' attach the statement required by General Instruction T.*	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, column (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► N/A			
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 2011 or the taxable year beginning in 2011 (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 ► N/A

14 The books are in care of ► THE FOUNDATION Telephone no. ► (510) 487-1155

Located at ► P.O. BOX 6879 INCLINE VILLAGE NV ZIP + 4 ► 89454

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

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 2011, 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

					Yes	No
	File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.					
1 a	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	N/A	
	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 2011?			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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ 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	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 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 2011 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 2011)*			3b	N/A	
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 2011?			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)? (see instructions) ☐ **Yes** ☒ **No**

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ **Yes** ☒ **No**

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

Organizations relying on a current notice regarding disaster assistance check here ► ☐

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** 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 (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
MALIK A. ALARAB P.O. BOX 6879 INCLINE VILLAGE, NV 89454	President 5.00	0.	0.	0.

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

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

Total number of other employees paid over $50,000 ► 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 N/A	
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 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	1,515,633.
b Average of monthly cash balances			1b	603,627.
c Fair market value of all other assets (see instructions)			1c	
d **Total** (add lines 1a, b, and c)			1d	2,119,260.
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	2,119,260.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)			4	31,789.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	2,087,471.
6 **Minimum investment return.** Enter 5% of line 5			6	104,374.

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	104,374.
2a Tax on investment income for 2011 from Part VI, line 5	2a	1,611.		
b Income tax for 2011. (This does not include the tax from Part VI)	2b			
c Add lines 2a and 2b			2c	1,611.
3 Distributable amount before adjustments. Subtract line 2c from line 1			3	102,763.
4 Recoveries of amounts treated as qualifying distributions			4	
5 Add lines 3 and 4			5	102,763.
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	102,763.

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	13,424.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 **Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	13,424.
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	
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	13,424.

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				102,763.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			13,424.	
b Total for prior years: 20___, 20___, 20___		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► $ 13,424.				
a Applied to 2010, but not more than line 2a			13,424.	
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 2011 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 *(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	0.			
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 2010. Subtract line 4a from line 2a. Taxable amount — see instructions			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				102,763.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

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 2011, enter the date of the ruling ►

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a 'Assets' alternative test – enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV **Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year – see instructions.)**

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:**

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

a The name, address, and telephone number 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*				
Total			► 3a	
b *Approved for future payment*				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
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					11.
4 Dividends and interest from securities					58,908.
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					35,958.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a ENERGY TRANSFER PTNR L.P.		-5,014.			
b INERGY, L.P.		-617.			
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		-5,631.			94,877.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 89,246.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
3	INCOME FROM INVESTMENTS PROVIDES AVAILABLE RESOURCES FOR CHARITABLE GIVING PURPOSES.
4	INCOME FROM INVESTMENTS PROVIDES AVAILABLE RESOURCES FOR CHARITABLE GIVING PURPOSES.

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

✓ 5/15/2012 Date

✓ PRES. Title

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

Paid Preparer Use Only

Print/Type preparer's name JOHN A. FANTAZIA, CPA	Preparer's signature	Date 5-11-2012	Check ☒ if self-employed	PTIN P00000239
Firm's name ► John A. Fantazia, CPA			Firm's EIN ► 94-6305063	
Firm's address ► 675 YGNACIO VALLEY RD STE A-200 WALNUT CREEK, CA 94596			Phone no (925) 932-8844	

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
ENERGY TRANSFER PTNR L.P.	$ -5,014.	$ -5,014.	
INERGY, L.P..	-617.	-617.	
Total	$ -5,631.	$ -5,631.	$ 0.

Statement 2
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL FEES	$ 207.			
Total	$ 207.	$ 0.	$ 0.	$ 0.

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FOREIGN TAX PAID	$ 204.	$ 204.		
Total	$ 204.	$ 204.	$ 0.	$ 0.

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BANK CHARGES	$ 8.			
FINANCIAL ADVISOR FEES	6,408.	$ 6,408.		
LICENSES & FEES	925.			
Total	$ 7,341.	$ 6,408.	$ 0.	$ 0.

Statement 5
Form 990-PF, Part I, Line 25
Contributions, Gifts, and Grants

Cash Grants and Allocations

Class of Activity: EDUCATIONAL SCHOLARSHIPS
Donee's Name: AMERICAN UNIVERSITY OF BEIRUT
Donee's Address: 3 DAG HAMMARSKJOLD PLAZA, 8TH FLOOR
NEW YORK, NY 10017
Relationship of Donee: NONE
Organizational Status of Donee: EDUCATIONAL INSTITUTE
Amount Given: $ 13,424.

Total $ 13,424.

Statement 6
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
CHARLES SCHWAB 9342-8780	Cost	$ 580,116.	$ 594,700.
WELLS FARGO ADVISORS 7964-7135	Cost	485,802.	497,926.
	Total	$ 1,065,918.	$ 1,092,626.

Statement 7
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

Corporate Bonds	Valuation Method	Book Value	Fair Market Value
CHARLES SCHWAB 9342-8780	Cost	$ 395,159.	$ 398,476.
WELLS FARGO ADVISORS 8076-8220	Cost	148,199.	95,889.
	Total	$ 543,358.	$ 494,365.

Statement 8
Form 990-PF, Part II, Line 13
Investments - Other

	Valuation Method	Book Value	Fair Market Value
Other Publicly Traded Securities			
CHARLES SCHWAB 9342-8780	Cost	$ 48,849.	$ 40,560.
WELLS FARGO ADVISORS 8076-8220	Cost	157,154.	202,220.
WELLS FARGO ADVISORS 7964-7135	Cost	17,802.	14,652.
WELLS FARGO ADVISORS 7964-7135	Cost	31,698.	36,680.
	Total	$ 255,503.	$ 294,112.

Statement 9
Form 990-PF, Part III, Line 3
Other Increases

PAID-IN-CAPITAL	$ 20,000.
Total	$ 20,000.

Statement 10
Form 990-PF, Part III, Line 5
Other Decreases

BOOK ADJUSTMENT	$ 911.
Total	$ 911.

FMV of Assets (990-PF)
Savings and temporary cash investments

CHARLES SCHWAB 9342-8780	$ 17,792.
WELLS FARGO ADVISORS 8076-8220	141,361.
WELLS FARGO ADVISORS 7964-7135	54,063.
Total	$ 213,216.

charles SCHWAB

Schwab One® Account of
ALARAB EDUCATION FOUNDATION

Account Number
9342-8780

Report Period
January 1 - December 31, 2011

2011 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss)

Accounting Method
Mutual Funds: Average
All Other Investments: High Cost

Short-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
A T & T INC NEW: T	2,000.0000	03/02/11	05/11/11	$63,009.84	$56,465.97	$6,543.87
Security Subtotal				**$63,009.84**	**$56,465.97**	**$6,543.87**
BRISTOL-MYERS SQUIBB CO: BMY	100.0000	03/02/11	05/11/11	$2,869.50	$2,532.13	$337.37
BRISTOL-MYERS SQUIBB CO: BMY	100.0000	03/02/11	05/11/11	$2,869.49	$2,532.13	$337.36
BRISTOL-MYERS SQUIBB CO: BMY	100.0000	03/02/11	05/11/11	$2,869.50	$2,532.20	$337.30
BRISTOL-MYERS SQUIBB CO: BMY	400.0000	03/02/11	05/11/11	$11,477.99	$10,129.39	$1,348.60
BRISTOL-MYERS SQUIBB CO: BMY	600.0000	03/02/11	05/11/11	$17,216.99	$15,193.49	$2,023.50
BRISTOL-MYERS SQUIBB CO: BMY	700.0000	03/02/11	05/11/11	$20,086.48	$17,726.42	$2,360.06
Security Subtotal				**$57,389.95**	**$50,645.76**	**$6,744.19**
C M S ENERGY CORP: CMS	100.0000	03/02/11	05/12/11	$2,019.16	$1,917.30	$101.86
C M S ENERGY CORP: CMS	900.0000	03/02/11	05/12/11	$18,171.60	$17,255.69	$915.91
Security Subtotal				**$20,190.76**	**$19,172.99**	**$1,017.77**

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report.

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charles SCHWAB

Schwab One® Account of
ALARAB EDUCATION FOUNDATION

Account Number
9342-8780

Report Period
January 1 - December 31, 2011

2011 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

Accounting Method
Mutual Funds: Average
All Other Investments: High Cost

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
CALL CONOCOPHILLIPS$85 EXP 11/19/11: COP 111119C00085000	10.0000 S	06/17/11	11/19/11	$763.41	$0.00	$763.41
Security Subtotal				**$763.41**	**$0.00**	**$763.41**
D T E ENERGY COMPANY: DTE	1,000.0000	05/16/11	10/27/11	$52,042.12	$52,428.95	($386.83)
D T E ENERGY COMPANY: DTE	300.0000	05/24/11	10/27/11	$15,612.63	$15,458.95	$153.68
Security Subtotal				**$67,654.75**	**$67,887.90**	**($233.15)**
VERIZON COMMUNICATIONS: VZ	1,000.0000	03/02/11	05/11/11	$37,390.33	$36,402.98	$987.35
Security Subtotal				**$37,390.33**	**$36,402.98**	**$987.35**
Total Short-Term				**$246,399.04**	**$230,575.60**	**$15,823.44**
Total Realized Gain or (Loss)				**$246,399.04**	**$230,575.60**	**$15,823.44**

Schwab has provided realized gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. See Terms and Conditions.

Option Customers: Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options. Please consult IRS publication 550, Investment Income and Expenses, for additional information on Options.

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report.

SIPC

ALARAB EDUCATION FOUNDATION

FEIN: 27-2956336

WELLS FARGO ADVISORS

2011 SUMMARY AMENDMENT

Amended Date: 2/17/12

ALARAB EDUCATION FOUNDATION
PO BOX 6879
INCLINE VILLAGE NV
89450-6879

Your Financial Advisor :
BOGART/RUSSELL
5340 KIETZKE LN STE 101
RENO, NV 89511
(775) 823-4811

Account Number: 7964-7135

Year-End Account Summary

This information is NOT provided to the Internal Revenue Service, but is being provided to you for courtesy purposes.
Please consult with your Financial Advisor or Tax Advisor regarding specific questions.

The Internal Revenue Service has made changes to Form 1099-B ("Proceeds From Broker and Barter Exchange Transactions") reporting requirements. To ensure consistency between our treatment of reportable and non-reportable accounts, significant modifications to our statements have been made starting with Tax Year 2011. We are providing cost basis information as supplemental information when it is available, to assist you with completing your tax return, however, THIS INFORMATION IS NOT PROVIDED TO THE INTERNAL REVENUE SERVICE. Please consult with your Financial Advisor or Tax Advisor regarding specific questions.

SHORT TERM GAINS OR LOSSES (Box 8)

Proceeds from Broker and Barter Exchange Transactions for 2011 SUPPLEMENTAL INFORMATION

Description (Box 9)	Non-Covered (Box 6)	Share Quantity	Sale Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Proceeds (Box 2)*	Cost or Other Basis (Box 3)	Gain or Loss Amount	Transaction Description
BRISTOL MYERS SQUIBB CO CUSIP 110122108		500.0000	26.73000	02/11/11	08/05/11	13,364.74	12,675.00	689.74	SALE
CISCO SYSTEMS INC CUSIP 17275R102		1,400.0000	18.00000	VARIOUS	11/18/11	25,199.52	23,549.00	2,294.51	SALE
ELI LILLY & CO CUSIP 532457108		400.0000	37.84010	03/18/11	07/29/11	15,135.75	13,760.00	1,375.75	SALE
INTEL CORP CUSIP 458140100		1,000.0000	24.00000	01/06/11	11/18/11	23,999.54	20,629.90	3,789.63	SALE
KRAFT FOODS INC CL A CUSIP 50075N104		500.0000	35.40050	02/11/11	08/04/11	17,699.91	15,250.00	2,449.91	SALE
SYSCO CORPORATION CUSIP 871829107		400.0000	31.89010	03/17/11	05/26/11	12,755.80	11,008.00	1,747.80	SALE
ABBOTT LABORATORIES CUSIP 002824100	X	500.0000	51.27010	12/21/10	07/29/11	25,634.56	23,969.95	1,664.61	SALE
ING INFRASTRUCTURE INDL & MATERIALS FUND CUSIP 45685U100	X	1,200.0000	19.20000	12/21/10	08/03/11	23,039.56	23,125.44	-85.88	SALE
TORTOISE MLP FD INC CUSIP 89148B101	X	700.0000	26.03000	12/21/10	04/12/11	18,220.65	16,255.68	1,964.97	SALE
	X	200.0000	26.05000	12/21/10	04/12/11	5,209.90	4,644.48	565.42	SALE

2011 SUMMARY AMENDMENT

Amended Date: 2/17/12

ALARAB EDUCATION FOUNDATION
PO BOX 6879
INCLINE VILLAGE NV
89450-6879

Your Financial Advisor :
BOGART/RUSSELL
5340 KIETZKE LN. STE 101
RENO, NV 89511
(775) 823-4811

Account Number: 7964-7135

Year-End Account Summary

This information is NOT provided to the Internal Revenue Service, but is being provided to you for courtesy purposes. Please consult with your Financial Advisor or Tax Advisor regarding specific questions.

Proceeds from Broker and Barter Exchange Transactions for 2011 *Continued* SUPPLEMENTAL INFORMATION

Description (Box 9)	Non-Covered (Box 6)	Share Quantity	Sale Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Proceeds (Box 2)*	Cost or Other Basis (Box 3)	Gain or Loss Amount	Transaction Description
	X	100.0000	26.04000	12/21/10	04/12/11	2,603.95	2,322.24	281.71	SALE
TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES						**108,155.26**	**96,871.90**	**12,347.34**	
TOTAL SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES						**74,708.62**	**70,317.79**	**4,390.83**	

* Box 2. Sales price less commissions and option premiums

Account Number: 7964-7135
ALARAB EDUCATION FOUNDATION

Realized Gain/Loss

Option Activity Gain/Loss Detail for Year

Short Term

Description	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
C BMY 082011 29	X	-5.00000	0.6300	07/11/11	08/08/11	314.99	45.00	269.99
C KFT 082011 36	X	-5.00000	0.4400	07/11/11	08/05/11	220.00	100.00	120.00
C PFE 111911 20	X	-13.00000	0.1700	10/10/11	11/19/11	221.00	0.00	221.00
C SO 111911 44	X	-6.00000	0.3400	10/10/11	11/19/11	204.00	0.00	204.00
TOTAL SHORT TERM OPTIONS						**$959.99**	**$145.00**	**$814.99**

ALARAB EDUCATION FOUNDATION

	This Period		Year to Date	
Income Summary	Federally Tax-Exempt	Federally Taxable	Federally Tax-Exempt	Federally Taxable
Money Funds Dividends	0 00	7 69	0.00	150 16
Cash Dividends	0 00	2,400.00	0 00	20,598 75
Corporate Bond Interest	0 00	0 00	0 00	7,265 63
Total Income	**0.00**	**2,407.69**	**0.00**	**28,014.54**
Accrued Interest Paid[4]	0 00	0 00	0 00	(1,990.88)

[4] Certain accrued interest paid on taxable bonds may be deductible, consult your tax advisor

Investment Detail - Money Market Funds [Sweep]

Money Market Funds [Sweep]	Quantity	Market Price	Market Value	Current Yield	% of Account Assets
SCHWAB CASH RESERVES. SWSXX	17,792.5000	1 0000	17,792.50	0 06%	2%
Total Money Market Funds [Sweep]			**17,792.50**		**2%**
Total Money Market Funds [Sweep]			**17,792.50**		**2%**

Investment Detail - Fixed Income

Accounting Method
Fixed Income: High Cost

Corporate Bonds	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
JPMORGAN CHASE & 1.65%13	**200,000.0000**	**100.7125**	**201,425.00**	**19%**	**1,209.00**	**3,300.00**
NOTES DUE 09/30/13	200,000.0000	100 1080	200,216.00	03/24/11	1,209 00	1.60%
CUSIP. 46623EJD2						
MOODY'S Aa3 S&P: A						***Accrued Interest: 834.17***

FEIN: 27-2956336

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

ALARAB EDUCATION FOUNDATION

Investment Detail - Fixed Income (continued)

Accounting Method
Fixed Income· High Cost

Corporate Bonds (continued)	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
TOYOTA MOTOR CP 1.375%13	195,000.0000	101.0520	197,051.40	19%	2,107.95	2,681.25
NOTES DUE 08/12/13	195,000.0000	99.9710	194,943.45	03/24/11	2,107.95	1.38%
CUSIP: 89233P4H6						
MOODY'S: Aa3 S&P: AA-						***Accrued Interest: 1,035.26***
Total Corporate Bonds	**395,000.0000**		**398,476.40**	**38%**	**3,316.95**	**5,981.25**
		Total Cost Basis:	395,159.45			

Total Accrued Interest for Corporate Bonds: 1,869.43

Total Fixed Income	**395,000.0000**		**398,476.40**	**38%**	**3,316.95**	**5,981.25**
		Total Cost Basis:	395,159.45			

Accrued Interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment.
Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only. The actual income and yield might be lower or higher than the estimated amounts EY is based upon EAI and the current price of the security and will fluctuate. For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated. EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate.

Investment Detail - Equities

Accounting Method
Equities: High Cost

Equities	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield Holding Days	Estimated Annual Income Holding Period
A T & T INC NEW	1,000.0000	30.2400	30,240.00	3%	2,007.02	5.68%	1,720.00
SYMBOL: T	1,000.0000	28.2329	28,232 98	03/02/11	2,007 02	304	Short-Term
ALCOA INC	2,000.0000	8.6500	17,300.00	2%	(15,208.95)	1.38%	240.00
SYMBOL: AA	2,000.0000	16.2544	32,508.95	03/02/11	(15,208.95)	304	Short-Term

FEIN: 27-2956336

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings.
Please see "E~~notes for Your Account" section for an explanation of the endnote codes and symbo~~ on this statement

SIPC

ALARAB EDUCATION FOUNDATION

FEIN: 27-2956336

Investment Detail - Equities (continued)

Accounting Method
Equities: High Cost

Equities (continued)	Quantity	Market Price	Market Value	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
	Units Purchased	Cost Per Share	Cost Basis	Acquired		Holding Days	Holding Period
BANK OF AMERICA 7.25%PFD	**2,000.0000**	**19.9000**	**39,800.00**	**4%**	**(10,188.95)**	**9.10%**	**3,625.00**
SYMBOL: BAC+J	2,000 0000	24 9944	49,988 95	03/02/11	(10,188.95)	304	Short-Term
BRISTOL-MYERS SQUIBB CO	**1,000.0000**	**35.2400**	**35,240.00**	**3%**	**231.05**	**3.74%**	**1,320.00**
SYMBOL BMY	1,000.0000	35 0089	35,008 95	12/23/11	231.05	8	Short-Term
C M S ENERGY CORP	**2,000.0000**	**22.0800**	**44,160.00**	**4%**	**5,814.04**	**3.80%**	**1,680.00**
SYMBOL: CMS	2,000 0000	19.1729	38,345.96	03/02/11	5,814 04	304	Short-Term
CONOCOPHILLIPS	**1,000.0000**	**72.8700**	**72,870.00**	**7%**	**(5,288.95)**	**3.62%**	**2,640.00**
SYMBOL: COP	1,000 0000	78 1589	78,158 95	03/02/11	(5,288.95)	304	Short-Term
DUKE ENERGY CORP NEW	**5,000.0000**	**22.0000**	**110,000.00**	**10%**	**18,295.69**	**4.54%**	**5,000.00**
SYMBOL: DUK	100.0000	17.9513	1,795 13	03/02/11	404.87	304	Short-Term
	200.0000	17 9512	3,590 24	03/02/11	809.76	304	Short-Term
	200 0000	17.9512	3,590.24	03/02/11	809 76	304	Short-Term
	200.0000	17 9530	3,590 60	03/02/11	809 40	304	Short-Term
	400 0000	17 9509	7,180 39	03/02/11	1,619.61	304	Short-Term
	900.0000	17.9519	16,156.79	03/02/11	3,643.21	304	Short-Term
	1,000.0000	17.9519	17,951.97	03/02/11	4,048.03	304	Short-Term
	2,000 0000	18.9244	37,848.95	05/11/11	6,151 05	234	Short-Term
Cost Basis			*91,704.31*				
EDISON INTERNATIONAL	**2,000.0000**	**41.4000**	**82,800.00**	**8%**	**4,231.05**	**3.14%**	**2,600.00**
SYMBOL: EIX	2,000.0000	39 2844	78,568 95	05/24/11	4,231 05	221	Short-Term
LILLY ELI & COMPANY	**1,000.0000**	**41.5600**	**41,560.00**	**4%**	**7,381.05**	**4.71%**	**1,960.00**
SYMBOL LLY	1,000 0000	34 1789	34,178 95	03/02/11	7,381 05	304	Short-Term
MERCK & CO INC NEW	**500.0000**	**37.7000**	**18,850.00**	**2%**	**(53.95)**	**4.45%**	**840.00**
SYMBOL: MRK	147.0000	37.8078	5,557.76	12/23/11	(15 86)	8	Short-Term
	353.0000	37 8079	13.346.19	12/23/11	(38 09)	8	Short-Term
Cost Basis			*18,903 95*				

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Equities (continued)

Accounting Method
Equities: High Cost

Equities (continued)	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Yield Holding Days	Estimated Annual Income Holding Period
PFIZER INCORPORATED	1,000.0000	21.6400	21,640.00	2%	(68.95)	3.69%	800.00
SYMBOL: PFE	64.0000	21.7089	1,389.37	12/23/11	(4.41)	8	Short-Term
	100.0000	21.7090	2,170.90	12/23/11	(6.90)	8	Short-Term
	100.0000	21.7090	2,170.90	12/23/11	(6.90)	8	Short-Term
	300.0000	21.7089	6,512.69	12/23/11	(20.69)	8	Short-Term
	436.0000	21.7089-	9,465.09	12/23/11	(30.05)	8	Short-Term
Cost Basis			*21,708.95*				
VERIZON COMMUNICATIONS	2,000.0000	40.1200	80,240.00	8%	7,434.03	4.98%	4,000.00
SYMBOL: VZ	2,000.0000	36.4029	72,805.97	03/02/11	7,434.03	304	Short-Term
Total Equities	20,500.0000		594,700.00	57%	14,584.18		26,425.00
		Total Cost Basis:	580,115.82				

Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only. The actual income and yield might be lower or higher than the estimated amounts EY is based upon EAI and the current price of the security and will fluctuate. For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated. EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate

ALARAB EDUCATION FOUNDATION

Investment Detail - Other Assets

Accounting Method
Other Assets: High Cost

Other Assets	Quantity Units Purchased	Market Price Cost Per Share	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Holding Days	Holding Period
COUNTRYWIDE NEW 7.00%66	2,000.0000	20.2800	40,560.00	4%	(8,288.95)		
SUBJ XTRO RDMPTN FNL MTY	2,000 0000	24.4244	48,848.95	03/02/11	(8,288.95)	304	Short-Term
11/1/66 SCHD MTY 11/1/36							
SYMBOL: CFC+B							
Total Other Assets	2,000.0000		40,560.00	4%	(8,288.95)		
		Total Cost Basis:	48,848.95				

FEIN: 27-2956336

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

SIPC

Additional information

	THIS PERIOD	THIS YEAR		THIS PERIOD	THIS YEAR
Gross proceeds	0.00	182,863.88	Foreign withholding	-17.56	-204.16

Portfolio detail

Cash and Sweep Balances

Bank Deposit Sweep - Consists of monies held at Wells Fargo Bank, N.A. and (if amounts exceed $250,000) at one or more other Wells Fargo affiliated banks. These assets are not covered by SIPC, but are instead eligible for FDIC insurance of up to $250,000 per depositor, per institution, in accordance with FDIC rules. For additional information on the Bank Deposit Sweep for your account, please contact Your Financial Advisor.

DESCRIPTION	% OF ACCOUNT	ANNUAL PERCENTAGE YIELD EARNED*	CURRENT MARKET VALUE	ESTIMATED ANNUAL INCOME
Cash	0.17	0.00	1,027.98	0.00
BANK DEPOSIT SWEEP Interest Period 12/01/11 - 12/31/11	8.80	0.04	53,034.62	21.21
Total Cash and Sweep Balances	**8.97**		**$54,062.60**	**$21.21**

* APYE measures the total amount of the interest paid on an account based on the interest rate and the frequency of the compounding during the interest period. The annual percentage yield earned is expressed as an annualized rate, based on a 365 day year.

Stocks, options & ETFs

Stocks and ETFs

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
								ANNUAL INCOME	ANNUAL YIELD (%)
AMERICAN ELECTRIC POWER INC AEP									
Acquired 03/18/11 S		250	33.84	8,462.48		10,327.50	1,865.02		
Acquired 08/08/11 S		200	35.48	7,096.00		8,262.00	1,166.00		
Total	**3.09**	**450**		**$15,558.48**	**41.3100**	**$18,589.50**	**$3,031.02**	**$846.00**	**4.55**
AT & T INC T									
Acquired 12/21/10 L nc		800	29.09	23,279.92		24,192.00	912.08		
Acquired 01/27/11 S		400	27.84	11,136.00		12,096.00	960.00		
Total	**6.02**	**1,200**		**$34,415.92**	**30.2400**	**$36,288.00**	**$1,872.08**	**$2,112.00**	**5.82**

DECEMBER 1 - DECEMBER 31, 2011
ACCOUNT NUMBER: 7964-7135

Stocks, options & ETFs

Stocks and ETFs continued

								ESTIMATED	
DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME	ANNUAL YIELD (%)
BARRICK GOLD CORP ABX									
Acquired 07/07/11 S	1.50	200	46.52	9,304.00	45.2500	9,050.00	-254.00	120.00	1.32
BLACKROCK KELSO CAPITAL CORP BKCC									
Acquired 12/21/10 L nc		1,100	11.38	12,523.50		8,976.00	-3,547.50		
Acquired 12/21/10 L nc		550	11.39	6,264.50		4,488.00	-1,776.50		
Acquired 12/21/10 L nc		350	11.38	3,986.47		2,856.00	-1,130.47		
Total	**2.71**	**2,000**		**$22,774.47**	**8.1600**	**$16,320.00**	**-$6,454.47**	**$2,080.00**	**12.75**
CONOCOPHILLIPS COP									
Acquired 05/16/11 S		200	71.38	14,276.00		14,574.00	298.00		
Acquired 08/08/11 S		100	66.05	6,605.99		7,287.00	681.01		
Total	**3.63**	**300**		**$20,881.99**	**72.8700**	**$21,861.00**	**$979.01**	**$792.00**	**3.62**
DEERE & CO DE									
Acquired 10/19/11 S	2.57	200	70.61	14,122.00	77.3500	15,470.00	1,348.00	328.00	2.12
DOW CHEMICAL COMPANY DOW									
Acquired 11/14/11 S	3.34	700	27.75	19,425.00	28.7600	20,132.00	707.00	700.00	3.47
ENERGY TRANSFER PARTNERS LP ETP									
Acquired 03/29/11 S nc		400	50.65	20,260.00		18,340.00	-1,920.00		
Acquired 05/12/11 S nc		200	47.60	9,520.00		9,170.00	-350.00		
Acquired 08/08/11 S nc		200	42.50	8,500.00		9,170.00	670.00		
Total	**6.09**	**800**		**$38,280.00**	**45.8500**	**$36,680.00**	**-$1,600.00**	**$2,860.00**	**7.80**
ENERPLUS CORP ERF									
Acquired 09/20/11 S	2.10	500	26.95	13,475.00	25.3200	12,660.00	-815.00	1,058.00	8.35
EXELON CORPORATION EXC									
Acquired 06/14/11 S		300	41.77	12,531.00		13,011.00	480.00		
Acquired 08/08/11 S		100	41.48	4,148.95		4,337.00	188.05		
Acquired 08/09/11 S		100	39.90	3,990.99		4,337.00	346.01		

ALARAB EDUCATION FOUNDATION

FEIN: 27-2956336

Stocks, options & ETFs

Stocks and ETFs continued

								ESTIMATED	
DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ANNUAL INCOME	ANNUAL YIELD (%)
Acquired 08/04/11 S		300	12.90	3,870.00		3,711.00	-159.00		
Acquired 08/09/11 S		300	11.78	3,536.97		3,711.00	174.03		
Total	**3.28**	**1,600**		**$24,344.97**	**12.3700**	**$19,792.00**	**-$4,552.97**	**$1,600.00**	**8.08**
PFIZER INCORPORATED PFE									
Acquired 12/21/10 L nc		1,000	17.33	17,339.90		21,640.00	4,300.10		
Acquired 08/09/11 S		300	17.12	5,136.00		6,492.00	1,356.00		
Total	**4.67**	**1,300**		**$22,475.90**	**21.6400**	**$28,132.00**	**$5,656.10**	**$1,144.00**	**4.07**
ROYAL DUTCH SHELL PLC ADR B RDS/B									
Acquired 01/06/11 S	5.05	400	65.87	26,351.60	76.0100	30,404.00	4,052.40	1,344.00	4.42
SOUTHERN COPPER CORP SCCO									
Acquired 03/24/11 S		250	41.75	10,437.50		7,545.00	-2,892.50		
Acquired 04/08/11 S		150	39.68	5,952.00		4,527.00	-1,425.00		
Acquired 04/14/11 S		200	36.10	7,220.00		6,036.00	-1,184.00		
Acquired 08/09/11 S		200	28.05	5,610.00		6,036.00	426.00		
Total	**4.01**	**800**		**$29,219.50**	**30.1800**	**$24,144.00**	**-$5,075.50**	**$2,240.00**	**9.28**
TELEFONICA S A SPON ADR TEF									
Acquired 11/14/11 S		600	18.92	11,357.94		10,314.00	-1,043.94		
Acquired 11/14/11 S		400	18.93	7,572.00		6,876.00	-696.00		
Total	**2.85**	**1,000**		**$18,929.94**	**17.1900**	**$17,190.00**	**-$1,739.94**	**$1,712.00**	**9.96**
THE SOUTHERN COMPANY SO									
Acquired 01/06/11 S	4.61	600	37.88	22,733.70	46.2900	27,774.00	5,040.30	1,134.00	4.08
TOTAL S.A. SPONS ADR TOT									
Acquired 05/16/11 S		200	57.35	11,470.00		10,222.00	-1,248.00		
Acquired 06/21/11 S		100	55.71	5,571.99		5,111.00	-460.99		
Acquired 08/04/11 S		100	49.94	4,994.99		5,111.00	116.01		
Total	**3.39**	**400**		**$22,036.98**	**51.1100**	**$20,444.00**	**-$1,592.98**	**$1,078.00**	**5.27**

DECEMBER 1 - DECEMBER 31, 2011
ACCOUNT NUMBER: 7964-7135

Stocks, options & ETFs

Stocks and ETFs continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
UNITED PARCEL SERVICE-B UPS									
Acquired 04/01/11 S		200	74.53	14,907.98		14,638.00	-269.98		
Acquired 08/04/11 S		100	66.02	6,602.99		7,319.00	716.01		
Total	3.64	300		$21,510.97	73.1900	$21,957.00	$446.03	$624.00	2.84
VERIZON COMMUNICATIONS COM VZ									
Acquired 01/06/11 S	4.00	600	36.14	21,689.94	40.1200	24,072.00	2,382.06	1,200.00	4.98
Total Stocks and ETFs	91.16			$543,130.66		$549,257.50	$6,126.84	$31,683.00	5.77

nc Cost information for this tax lot is not covered by IRS reporting requirements. Unless indicated, cost for all other lots will be reported to the IRS.

ALARAB EDUCATION FOUNDATION

DECEMBER 1 - DECEMBER 31, 2011
ACCOUNT NUMBER: 8076-8220

Preferreds/Fixed Rate Cap Securities

					ESTIMATED	
DESCRIPTION	% OF ACCOUNT	QUANTITY	CURRENT PRICE	CURRENT MARKET VALUE	ANNUAL INCOME	ANNUAL YIELD (%)
BANK OF AMERICA 8.20% NON-CUM PERPET PFD SER H CALL STARTING 5/1/13 BAC'H	5.03	1,000	22.1000	22,100.00	2,050.00	9.27
COUNTRYWIDE CAP V 7% DUE 11/1/2036 CALL STARTING 11/1/2011 CFC'B	4.61	1,000	20.2800	20,280.00	1,750.00	8.62
GOLDMAN SACHS 6.125% PFD SR NOTE MAT 11/1/60 CALL 11/1/15 GSF	11.27	2,000	24.7700	49,540.00	3,062.40	6.18
MORGAN STANLEY 6.45% PFD CAP TRUST VIII 4/15/2067 CALL STARTING 7/15/12 MSK	7.43	1,500	21.7600	32,640.00	2,418.75	7.41
NATIONAL CITY CAP 6.625% DUE 5/25/2067 CALL STARTING 5/25/12 NCC'B	5.82	1,000	25.5900	25,590.00	1,656.00	6.47
PUBLIC STORAGE 6.35% PFD CUM PREFERRED PERP-SER R CALL 7/26/16 PSA'R	6.12	1,000	26.9100	26,910.00	1,587.00	5.89
WACHOVIA 6.375% CAP TR IV DUE 3/1/2067 CALL STARTING 3/15/2012 WB'B	5.73	1,000	25.1600	25,160.00	1,593.70	6.33
Total Preferreds/Fixed Rate Cap Securities	**46.01**			**$202,220.00**	**$14,117.85**	**6.98**

Activity detail

DATE	ACCOUNT TYPE	TRANSACTION/ CHECK NUMBER	QUANTITY	DESCRIPTION	PRICE	AMOUNT	CASH AND SWEEP BALANCES
12/01				BEGINNING BALANCE			140,560.85

DECEMBER 1 - DECEMBER 31, 2011
ACCOUNT NUMBER: 8076-8220

Fixed Income Securities

Corporate and municipal bonds and other fixed income securities are priced by a computerized pricing service or, for less actively traded issues, by utilizing a yield-based matrix system to arrive at an estimated market value.

Corporate Bonds

DESCRIPTION	% OF ACCOUNT	QUANTITY	CURRENT PRICE	CURRENT MARKET VALUE	ESTIMATED		
					ACCRUED INTEREST	ANNUAL INCOME	ANNUAL YIELD (%)
FORD MOTOR CREDIT CO LLC MEDIUM TERM NOTES CPN 3.250% DUE 05/20/14 DTD 05/26/11 FC 11/20/11 Moody BA1 , S&P BB+ CUSIP 34540TAA0	11.27	50,000	99.0460	49,523.00	180.56	1,625.00	3.28
Total Corporate Bonds	**11.27**	**50,000**		**$49,523.00**	**$180.56**	**$1,625.00**	**3.28**

Foreign Bonds

Foreign Fixed Income securities may be denominated in currencies other than US dollars. Due to currency fluctuations, displayed figures for "Estimated Accrued Interest", "Estimated Annual Income" and "Estimated Annual Yield" may not reflect current exchange rates. Please contact Your Financial Advisor if you own a Foreign Fixed Income security that is denominated in other than US dollars and have additional questions.

DESCRIPTION	% OF ACCOUNT	QUANTITY	CURRENT PRICE	CURRENT MARKET VALUE	ESTIMATED		
					ACCRUED INTEREST	ANNUAL INCOME	ANNUAL YIELD (%)
AUSTRALIAN GOVERNMENT SR UNSECURED SER TB123 CPN 5.750% DUE 04/15/12 DTD 10/15/06 FC 04/15/07 Moody AAA CUSIP Q0819ACV0	10.55	45,000	103.0346	46,365.57	538.77	2,587.50	5.58
Total Foreign Bonds	**10.55**	**45,000**		**$46,365.57**	**$538.77**	**$2,587.50**	**5.58**
Total Fixed Income Securities	**21.82**			**$95,888.57**	**$719.33**	**$4,212.50**	**4.39**

ALARAB EDUCATION FOUNDATION

FEIN: 27-2956336