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 SEP 1, 2011 , and ending AUG 31, 2012

Name of foundation
DHARMA-GRACE FOUNDATION
C/O MANN GELON GLODNEY & AUGENSTEIN

A Employer identification number
95-4769888

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
1880 CENTURY PARK EAST, SUITE 950

B Telephone number
310 277-3633

City or town, state, and ZIP code
LOS ANGELES, CA 90067

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) ▶$ 834,817.

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))

	Line	(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	3,775.		N/A	
	2 Check ▶ ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	58.	58.		STATEMENT 1
	4 Dividends and interest from securities	19,614.	19,614.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<2,450.>			
	b Gross sales price for all assets on line 6a 299,819.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	20,997.	19,672.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 3	2,851.	2,851.		0.
	b Accounting fees STMT 4	3,400.	3,400.		0.
	c Other professional fees				
	17 Interest	1.	1.		0.
	18 Taxes STMT 5	824.	824.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	5,140.	5,140.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	12,216.	12,216.		0.
	25 Contributions, gifts, grants paid	154,000.			154,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	166,216.	12,216.		154,000.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	<145,219.>			
	b **Net investment income** (if negative, enter -0-)		7,456.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

RECEIVED
JUL 22 2013
OGDEN, UT
E2-643
IRS-OSC

SCANNED AUG 06 2013

123501
12-02-11 LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2011)

15070715 602174 41994 2011.05080 DHARMA-GRACE FOUNDATION C/O 41994 1

9-19 6

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	23.	715.	715.
	2 Savings and temporary cash investments	59,832.	16,211.	16,211.
	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 STMT 7	323,577.	317,381.	341,646.
	b Investments - corporate stock STMT 8	527,628.	441,993.	440,433.
	c Investments - corporate bonds STMT 9	46,207.	35,668.	35,812.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	957,267.	811,968.	834,817.
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	957,267.	811,968.	
	30 **Total net assets or fund balances**	957,267.	811,968.	
	31 **Total liabilities and net assets/fund balances**	957,267.	811,968.	

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	957,267.
2	Enter amount from Part I, line 27a	2	<145,219.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	812,048.
5	Decreases not included in line 2 (itemize) ▶ PENALTIES AND FINES	5	80.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	811,968.

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	VARIOUS PUBLICLY TRADED SECURITIES	P	VARIOUS	VARIOUS
b	VARIOUS PUBLICLY TRADED SECURITIES	P	VARIOUS	VARIOUS
c	CAPITAL GAINS DIVIDENDS			
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	210,578.		213,643.	<3,065.>
b	88,939.		88,626.	313.
c	302.			302.
d				
e				

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				<3,065.>
b				313.
c				302.
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } **2** <2,450.>

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** N/A

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	132,750.	1,090,925.	.121686
2009	148,197.	37,623.	3.939000
2008	84,963.	126,982.	.669095
2007	58,000.	247,040.	.234780
2006	95,500.	328,864.	.290394

2	Total of line 1, column (d)	2	5.254955
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	1.050991
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	852,973.
5	Multiply line 4 by line 3	5	896,467.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	75.
7	Add lines 5 and 6	7	896,542.
8	Enter qualifying distributions from Part XII, line 4	8	154,000.

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	149.
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	149.
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	149.
6 Credits/Payments				
a 2011 estimated tax payments 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** SEE STATEMENT 10 ▶			9	149.
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
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 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) ▶ CA			
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)*

		Line	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 ▶ MANN, GELON, GLODNEY & AUGENSTEIN Telephone no ▶310 277-3633
Located at ▶1880 CENTURY PARK EAST SUITE 950, LOS ANGELES, CA ZIP+4 ▶90067

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

		Line	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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

			Line	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)?	N/A	1b		
	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 ▶ ____, ____, ____, ____				
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 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)*	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 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)?	☐ 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	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 12		0.	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 N/A	
2	
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	843,609.
b	Average of monthly cash balances	1b	22,353.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	865,962.
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	865,962.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	12,989.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	852,973.
6	**Minimum investment return.** Enter 5% of line 5	6	42,649.

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	42,649.
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a: 149.		
b	Income tax for 2011 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	149.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	42,500.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	42,500.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	42,500.

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	154,000.
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	154,000.
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	154,000.

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				42,500.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006 79,832.				
b From 2007 45,918.				
c From 2008 78,688.				
d From 2009 146,322.				
e From 2010 78,255.				
f Total of lines 3a through e	429,015.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 154,000.				
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				42,500.
e Remaining amount distributed out of corpus	111,500.			
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	540,515.			
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 instr			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	79,832.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	460,683.			
10 Analysis of line 9				
a Excess from 2007 45,918.				
b Excess from 2008 78,688.				
c Excess from 2009 146,322.				
d Excess from 2010 78,255.				
e Excess from 2011 111,500.				

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

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

1 **Information Regarding Foundation Managers:**

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

CHARLES LORRE

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 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				
ALZHEIMER'S ASSOCIATION 225 N. MICHIGAN AVE, FL 17 CHICAGO, IL 60601-7633	NONE	PUBLIC CHARITY	GENERAL FUND	5,000.
ANTI-DEFAMATION LEAGUE 10495 SANTA MONICA BOULEVARD LOS ANGELES, CA 90025-5031	NONE	PUBLIC CHARITY	GENERAL FUND	1,000.
CLARE FOUNDATION 909 PICO BOULEVARD SANTA MONICA, CA 90405	NONE	PUBLIC CHARITY	GENERAL FUND	25,000.
DOWN SYNDROME ASSOCIATION OF LOS ANGELES 16461 SHERMAN WAY, SUITE 180 VAN NUYS, CA 91406	NONE	PUBLIC CHARITY	GENERAL FUND	5,000.
GOOD SHEPARD SHELTER GUILD 2561 VENICE BOULEVARD LOS ANGELES, CA 90019	NONE	PUBLIC CHARITY	GENERAL FUND	1,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	154,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Form **990-PF** (2011)

123611 12-02-11

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
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	58.	
4 Dividends and interest from securities			14	19,614.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	<2,450.>	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		17,222.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 17,222.

(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)

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] 7/15/13 ▶ CFO

Signature of officer or trustee — Date — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
BARRY GUMEROVE	[signature] CPA	7.15.13		P00446251

Firm's name ▶ MANN, GELON, GLODNEY & AUGENSTEIN, APC — Firm's EIN ▶ 95-3381812

Firm's address ▶ 1880 CENTURY PARK EAST, SUITE 950 LOS ANGELES, CA 90067 — Phone no. 310-277-3633

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
MOTION PICTURE & TELEVISION FUND 23388 MULHOLLAND DRIVE, SABAN BUILDING 220 WOODLAND HILLS, CA 91364	NONE	PUBLIC CHARITY	GENERAL FUND	5,000.
SABAN FREE CLINIC 8405 BEVERLY BOULEVARD LOS ANGELES, CA 90048	NONE	PUBLIC CHARITY	GENERAL FUND	5,000.
TALK ABOUT IT FOUNDATION 5777 W. CENTURY BLVD., #820 LOS ANGELES, CA 90045-5659	NONE	PUBLIC CHARITY	GENERAL FUND	1,000.
UNICEF 125 MAIDEN LANE NEW YORK, NY 10038	NONE	PUBLIC CHARITY	GENERAL FUND	5,000.
UNIVERSITY OF MICHIGAN COLLEGE OF LITERATURE, SCIENCE & THE ARTS 3003 SOUTH STATE STREET ANN ARBOR, MI 48109-1288	NONE	PUBLIC CHARITY	GENERAL FUND	1,000.
VENICE FAMILY CLINIC 604 ROSE AVENUE VENICE, CA 90291	NONE	PUBLIC CHARITY	GENERAL FUND	100,000.
Total from continuation sheets				117,000.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
FIRST REPUBLIC BANK	20.
GOLDMAN, SACHS & CO	38.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	58.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
GOLDMAN, SACHS & CO	19,916.	302.	19,614.
TOTAL TO FM 990-PF, PART I, LN 4	19,916.	302.	19,614.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	2,851.	2,851.		0.
TO FM 990-PF, PG 1, LN 16A	2,851.	2,851.		0.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	3,400.	3,400.		0.
TO FORM 990-PF, PG 1, LN 16B	3,400.	3,400.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX	654.	654.		0.
STATE FILING FEE	170.	170.		0.
TO FORM 990-PF, PG 1, LN 18	824.	824.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	5,140.	5,140.		0.
TO FORM 990-PF, PG 1, LN 23	5,140.	5,140.		0.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 7

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOLDMAN SACHS - SEE STATEMENT OF HOLDINGS	X		317,381.	341,646.
TOTAL U.S. GOVERNMENT OBLIGATIONS			317,381.	341,646.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			317,381.	341,646.

FORM 990-PF | CORPORATE STOCK | STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
GOLDMAN SACHS - SEE STATEMENT OF HOLDINGS	441,993.	440,433.
TOTAL TO FORM 990-PF, PART II, LINE 10B	441,993.	440,433.

FORM 990-PF | CORPORATE BONDS | STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
GOLDMAN SACHS - SEE STATEMENT OF HOLDINGS	35,668.	35,812.
TOTAL TO FORM 990-PF, PART II, LINE 10C	35,668.	35,812.

FORM 990-PF | INTEREST AND PENALTIES | STATEMENT 10

TAX DUE FROM FORM 990-PF, PART VI	149.
LATE PAYMENT INTEREST	2.
TOTAL AMOUNT DUE	151.

FORM 990-PF | LATE PAYMENT INTEREST | STATEMENT 11

DESCRIPTION	DATE	AMOUNT	BALANCE	RATE	DAYS	INTEREST
TAX DUE	01/15/13	149.	149.	.0300	151	2.
DATE FILED	06/15/13		151.			
TOTAL LATE PAYMENT INTEREST						2.

Dharma-Grace Foundation
Form 990-PF Return of Private Foundation
E.I.N. 95-4769888
Statement of Holdings as of August 31, 2012

Description:	Book Value	Fair Market Value
U.S. Government Obligations (FHLMC/FNMA):		
Goldman Sach #xx826-6 - statement attached	317,380.61	341,646.14
Other Fixed Income Investments:		
Goldman Sach #xx826-6 - statement attached	35,668.32	35,812.30
subtotal	353,048.93	377,458.44
Corporate Stock and Other Equities:		
Goldman Sach #xx815-9 - statement attached	112,656.61	133,995.24
Goldman Sach #xx826-6 - statement attached	197,535.47	174,598.12
Goldman Sach #xx827-4 - statement attached	131,801.41	131,839.44
subtotal	441,993.49	440,432.80
Total Investments	795,042.42	817,891.24

Goldman Sachs

Statement Detail

DHARMA GRACE FDN.- ADV.

Holdings

Period Ended August 31, 2012

CASH, DEPOSITS & MONEY MARKET FUNDS

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
CASH								
U S DOLLAR	156 37	1 0000	156.37		156.37			

FIXED INCOME

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
INVESTMENT GRADE FIXED INCOME								
GOVERNMENT AND GOVERNMENT AGENCY BONDS								
FHLMC MTN 4 125% 09/27/2013 MS S&P AA+ /Moody's Aaa	100,000.00	104 1740	104,174.00	102.9866	102,986.59	1,187 41	1.3132	4,125 00
			1,764 58	107.21	107,208.00	(3,034.00) [1]		
FNMA 4.375000% 10/15/2015 AO S&P AA+ /Moody's Aaa	100,000.00	112.2740	112,274 00	105.8399	105,839 88	6,434.12	2.4218	4,375 00
			1,652.78	108.57	108,567.00	3,707 00 [1]		
FNMA 5.0% 05/11/2017 MN SR LIEN S&P AA+ /Moody's Aaa	100,000.00	120.2530	120,253.00	108.5541	108,554 14	11,698 86	3 0315	5,000 00
			1,527 78	111.11	111,109 00	9,144 00 [1]		
TOTAL GOVERNMENT AND GOVERNMENT AGENCY BONDS	300,000.00		336,701 00		317,380 61	19,320.39	2.2965	13,500 00
			4,945 14		326,884.00	9,817 00		
			341,646.14					

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized / Economic Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
OTHER FIXED INCOME								
GS HIGH YIELD FUND								
GS HIGH YIELD FUND INSTITUTIONAL SHARES	3,000.390	7.2600	21,782.83	7.4058	22,220 34	(437 50)		1,488 19
						2,708 40		

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
EMERGING MARKETS LOCAL DEBT FUND (WISDOMTREE)								
WISDOMTREE TRUST CMN CLASS E Not Rated	273 00	51.3900	14,029.47	49.2600	13,447.98	581 49		482.94

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized / Economic Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
TOTAL OTHER FIXED INCOME			35,812.30		35,668.32	143.99		1,971.13
TOTAL FIXED INCOME			372,513.30		353,048.93	19,464.38	2.2965	15,471.13
			4,945.14		362,552.32	9,960.99		

[1] This figure represents Unrealized Gain (Loss) calculated based on Original Cost

Goldman Sachs

Statement Detail

DHARMA GRACE FDN.- DSM: LCG

Holdings

Period Ended August 31, 2012

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
US EQUITY		CASH	2396.73					
DSM. LARGE CAP GROWTH								
U S DOLLAR	(935.92)	1.0000	(935.92)		(935.92)			
GOLDMAN SACHS BANK DEPOSIT (BDA) (*BDANOW)[14]	3,332.65	1.0000	3,332.65	1.0000	3,332.65		0.1844	6 14
	Quantity	**Market Price**	**Market Value / Accrued Income**	**Unit Cost**	**Cost Basis**	**Unrealized Gain (Loss)**	**Dividend Yield**	**Estimated Annual Income**
ALLERGAN INC CMN (AGN)	71.00	88.1300	6,115 23 3.65	78.5831	5,579 40	535.83	0.2322	14.20
APPLE, INC. CMN (AAPL)	23.00	665.2400	15,300 52	353.6343	8,133.59	7,166 93	1.5934	243 80
CELGENE CORPORATION CMN (CELG)	105.00	72.0400	7,564.20	53.2163	5,587 72	1,976.48		
COGNIZANT TECHNOLOGY SOLUTIONS CORP CLASS A (CTSH)	56.00	64.2800	3,599.68	58.2835	3,263.87	335.81		
DISCOVERY COMMUNICATIONS, INC. CMN SERIES A (DISCA)	71.00	54.8400	3,893 64	43.3999	3,081.39	812.25		
DOLLAR GENERAL CORPORATION CMN (DG)	119.00	51.0700	6,077.33	34.3393	4,086.38	1,990.95		
EBAY INC. CMN (EBAY)	130.00	47.4700	6,171 10	43.8202	5,696 63	474 47		
ECOLAB INC CMN (ECL)	62.00	64 0300	3,969 86	62.1896	3,855.76	114 10	1.2494	49.60
EMC CORPORATION MASS CMN (EMC)	131.00	26.2900	3,443 99	25.3394	3,319.46	124 53		
F5 NETWORKS INC CMN (FFIV)	21.00	97.4900	2,047 29	103.6027	2,175.66	(128.37)		
FAMILY DOLLAR STORES INC CMN (FDO)	41.00	63.6400	2,609.24	57.8800	2,373.08	236.16	1.3199	34 44
GENERAL ELECTRIC CO CMN (GE)	298.00	20.7100	6,171 58	20.3326	6,059.11	112.48	3.2834	202 64
GOOGLE, INC. CMN CLASS A (GOOG)	6.00	685.0900	4,110.54	596 0417	3,576.25	534 29		
INTUITIVE SURGICAL, INC CMN (ISRG)	6 00	491.7900	2,950.74	327.9700	1,967.82	982.92		
LAS VEGAS SANDS CORP. CMN (LVS)	103.00	42.3900	4,366 17	44.1054	4,542.86	(176.69)	2.3590	103.00
MONSANTO COMPANY CMN (MON)	75.00	87.1100	6,533.25	71.8245	5,386 84	1,146 41	1.7220	112.50
PHILIP MORRIS INTL INC CMN (PM)	58.00	89.3000	5,179.40	67.4783	3,913.74	1,265.66	3 4490	178.64
PRAXAIR, INC CMN SERIES (PX)	23.00	105.5000	2,426.50	97.1645	2,234.78	191.72	2.0853	50.60
PRECISION CASTPARTS CORP. CMN (PCP)	20.00	161.0800	3,221.60	160.5743	3,211.49	10.11	0.0745	2.40
SCHLUMBERGER LTD CMN (SLB)	72.00	72.3800	5,211.36 16.83	91.0735	6,557.29	(1,345.93)	1.5198	79.20
STARBUCKS CORP. CMN (SBUX)	62.00	49.6100	3,075.82	44.5725	2,763.49	312.33	1.3707	42.16
UNION PACIFIC CORP. CMN (UNP)	12.00	121.4400	1,457.28	123.0117	1,476.14	(18.86)	1.9763	28.80

[14] This represents a bank deposit of an affiliated bank reflected here for your convenience and is not cash held in your brokerage or custody account. Please see the enclosed Bank Statement page(s) for specific information related to your bank deposit.

Goldman Sachs

DHARMA GRACE FDN.- DSM: LCG
Holdings (Continued)

Period Ended August 31, 2012

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
DSM: LARGE CAP GROWTH								
VISA INC CMN CLASS A (V)	34 00	128.2500	4,360.50 7 70	77.8603	2,647.25	1,713.25	0 6862	29.92
W W GRAINGER INCORPORATED CMN (GWW)	10.00	205.9600	2,059 60 8.80	187.3798	1,873.80	185.80	1 5537	32 00
WALT DISNEY COMPANY (THE) CMN (DIS)	78.00	49.4700	3,858 66	44.2497	3,451.48	407 18	1.2129	46 80
YUM BRANDS, INC. CMN (YUM)	62.00	63.7200	3,950.64	55 9152	3,466.74	483.90	1 7891	70 68
SABMILLER PLC SPONSORED ADR (SBMRY)	97.00	44.1480	4,282.36	34.5791	3,354.17	928 19	1 9871	85 10
SHIRE LIMITED SPONSORED ADR CMN (SHPG)	64.00	90.5400	5,794.56	86 1450	5,513.28	281.28	0.5076	29 41
TENCENT HOLDINGS LIMITED UNSPONSORED ADR CMN (TCEHY)	136.00	30.5560	4,155.62	25 7878	3,507 14	648 48	0.2833	11 77
TOTAL DSM LARGE CAP GROWTH			136,354.99 36.98		115,053.34	21,301.66	1 4921	1,453 81

		Market Value	Adjusted Cost / * Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO		138,391.97	115,053.34	21,301.66	1,453.81
	Less cash	(2396.73)	(2396.73)		
	Equities	133,995.24	112,656.61		

* Original Cost is price paid by purchaser adjusted for annual original issue discount inclusions and/or return of capital adjustments, if applicable. Adjusted Cost reflects adjustments to Original Cost for market discount accretion and/or premium amortization. Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions.

Goldman Sachs

Statement Detail

DHARMA GRACE FDN.- ADV.

Holdings (Continued)

Period Ended August 31, 2012

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
RUSSELL 2000 INDEX FUND (ISHARES)								
ISHARES RUSSELL 2000 INDEX FUND (IWM)	244.00	81.1200	19,793.28	79 9634	19,511.06	282.22	1.5260	302.05
NON-US EQUITY								
MSCI EAFE INDEX FUND (ISHARES)								
ISHARES TR-ISHARES MSCI EAFE INDEX FUND ETF (EFA)	2,460 00	51.6000	126,936.00	59.9853	147,563.92	(20,627.92)	3.3300	4,227 02
MSCI EMERGING MARKETS INDEX FUND (ISHARES)								
ISHARES MSCI EMERGING MKT INDEX FUND ETF (EEM)	491.00	39.2800	19,286.48	45.7929	22,484.34	(3,197.86)	2 0756	400 31
OTHER NON-US EQUITIES								
SPDR EURO STOXX 50 FD ETF (FEZ)	151 00	30.0800	4,542.08	26.3900	3,984.89	557.19	4.4132	200 45
WISDOM TREE JAPAN HEDGED EQUITY FUND (DXJ)	129.00	31.3200	4,040.28	30.9400	3,991.26	49.02	1 8704	75.57
TOTAL OTHER NON-US EQUITIES			8,582.36		7,976.15	606.21	3 2161	276 02
TOTAL NON-US EQUITY			**154,804.84**		**178,024.41**	**(23,219.57)**	**3.1674**	**4,903.35**
TOTAL PUBLIC EQUITY			**174,598.12**		**197,535.47**	**(22,937.35)**	**2.9814**	**5,205.40**

	Market Value	Adjusted Cost / * Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO	**552,212.93**	**550,740.77**	**(3,472.97)**	**20,676.53**
		560,244.16	**(12,976.36)**	

* Original Cost is price paid by purchaser adjusted for annual original issue discount inclusions and/or return of capital adjustments, if applicable. Adjusted Cost reflects adjustments to Original Cost for market discount accretion and/or premium amortization. Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions.

Goldman Sachs

Statement Detail

DHARMA GRACE FDN.- SOUND SHORE: LCV

Holdings

Period Ended August 31, 2012

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
US EQUITY								
SOUND SHORE: LARGE CAP VALUE		cash	5,594.86					
U S DOLLAR	686.59	1.0000	686.59		686.59			
GOLDMAN SACHS BANK DEPOSIT (BDA) (*BDANOW)[14]	4,908.27	1.0000	4,908.27	1.0000	4,908 27		0 1666	8.18
	Quantity	**Market Price**	**Market Value / Accrued Income**	**Unit Cost**	**Cost Basis**	**Unrealized Gain (Loss)**	**Dividend Yield**	**Estimated Annual Income**
AES CORP CMN (AES)	285.00	11.3900	3,246.15	12.3682	3,524.93	(278.78)	1 4047	45.60
ANALOG DEVICES, INC. CMN (ADI)	61 00	39.7400	2,424.14 18.30	37 9289	2,313.66	110.48	3 0196	73.20
APPLIED MATERIALS INC CMN (AMAT)	315.00	11 6900	3,682.35 28.35	14.4163	4,541.14	(858 79)	3.0796	113.40
BANK OF AMERICA CORP CMN (BAC)	381.00	7.9900	3,044 19	11.0177	4,197.75	(1,153 56)	0.5006	15.24
BUNGE LIMITED. ORD CMN (BG)	21.00	63.6500	1,336.65 4.86	64.2629	1,349.52	(12 87)	1.6968	22.68
CAPITAL ONE FINANCIAL CORP CMN (COF)	58.00	56.5300	3,278 74	45.4556	2,636.43	642.32	0.3538	11.60
CARDINAL HEALTH INC CMN (CAH)	57 00	39 5500	2,254.35	39.6582	2,260.52	(6 17)	2.4020	54.15
CHARLES SCHWAB CORPORATION CMN (SCHW)	267.00	13.4900	3,601 83	16.7869	4,482.11	(880 28)	1 7791	64.08
CITIGROUP INC. CMN (C)	127.00	29.7100	3,773 17	45.2078	5,741.39	(1,968.22)		
COMCAST CORPORATION CMN CLASS A VOTING (CMCSA)	111.00	33.5300	3,721.83	24.2321	2,689.76	1,032.07	1 9386	72 15
CVS CAREMARK CORPORATION CMN (CVS)	78.00	45.5500	3,552.90	34.2460	2,671.19	881.71	1 4270	50 70
DEVON ENERGY CORPORATION (NEW) CMN (DVN)	50.00	57.8300	2,891.50	56.1340	2,806.70	84 80	1.3834	40.00
DR PEPPER SNAPPLE GROUP, INC. CMN (DPS)	70.00	44.8100	3,136.70	40.2181	2,815.27	321 43	3.0350	95.20
E I. DU PONT DE NEMOURS AND CO CMN (DD)	71.00	49.7500	3,532.25 26.23	49.2588	3,497.36	34.89	3.4573	122 12
EQT CORPORATION CMN (EQT)	51.00	53.9600	2,751.96 14.08	46.2972	2,361.16	390.80	1.6308	44 88
GENERAL ELECTRIC CO CMN (GE)	190 00	20.7100	3,934.90	19.0709	3,623.47	311 43	3.2834	129 20
GENERAL MOTORS COMPANY CMN (GM)	119.00	21.3500	2,540.65	30.7074	3,654.18	(1,113.53)		
GOOGLE, INC CMN CLASS A (GOOG)	5.00	685.0900	3,425.45	594.5000	2,972.50	452.95		

[14] This represents a bank deposit of an affiliated bank reflected here for your convenience and is not cash held in your brokerage or custody account. Please see the enclosed Bank Statement page(s) for specific information related to your bank deposit.

DHARMA GRACE FDN.- SOUND SHORE: LCV

Holdings (Continued)

Period Ended August 31, 2012

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
SOUND SHORE: LARGE CAP VALUE								
INVESCO LTD. CMN (IVZ)	139.00	23.6800	3,291.52 23 98	23 5789	3,277 47	14 05	2.9139	95 91
LIFE TECHNOLOGIES CORPORATION CMN (LIFE)	97.00	47.7100	4,627.87	40.0685	3,886.65	741 22		
LOWES COMPANIES INC CMN (LOW)	101 00	28.4800	2,876 48	19 4440	1,963.85	912.63	2.2472	64.64
MARSH & MCLENNAN CO INC CMN (MMC)	132 00	34.1700	4,510 44	27 9098	3,684.09	826 35	2.6924	121 44
METLIFE, INC. CMN (MET)	109.00	34 1300	3,720 17	40.6280	4,428.46	(708 29)	2.1682	80.66
MICROSOFT CORPORATION CMN (MSFT)	138 00	30.8200	4,253 16 27.60	26 6226	3,673.92	579.24	2 5957	110 40
OWENS-ILLINOIS INC CMN (OI)	130.00	17.4800	2,272 40	22.1985	2,885.81	(613 41)		
PFIZER INC CMN (PFE)	171.00	23.8600	4,080.06 37.62	18.7786	3,211.14	868 92	3 6882	150.48
PROCTER & GAMBLE COMPANY (THE) CMN (PG)	60 00	67.1900	4,031.40	63.0358	3,782.15	249 25	3 3457	134.88
SOUTHWEST AIRLINES CO CMN (LUV)	344 00	8.9400	3,075.36 2.03	9.2693	3,188.64	(113 28)	0 4474	13 76
STATE STREET CORPORATION (NEW) CMN (STT)	101.00	41.6000	4,201.60	40.5942	4,100 01	101 59	2.3077	96.96
SYSCO CORPORATION CMN (SYY)	123 00	30.3000	3,726.90	28.0007	3,444.09	282 81	3 5644	132.84
TEXAS INSTRUMENTS INC CMN (TXN)	151 00	29.0400	4,385.04	32.7181	4,940.44	(555 40)	2.3416	102.68
THERMO FISHER SCIENTIFIC INC CMN (TMO)	51 00	57.3500	2,924.85	51.8476	2,644.23	280 62	0 9067	26.52
TIME WARNER INC. CMN (TWX)	84.00	41.5500	3,490.20 21.84	35.5699	2,987.87	502 33	2.5030	87.36
UNITEDHEALTH GROUP INCORPORATE CMN (UNH)	63 00	54.3000	3,420.90	51.3425	3,234 58	186.32	1 5654	53.55
WEATHERFORD INTERNATIONAL LTD CMN (WFT)	273.00	11 7600	3,210.48	14 9357	4,077.44	(866.96)		
YAHOO INC CMN (YHOO)	64.00	14.6500	937.60	15.4784	990.62	(53.02)		
AON PLC CMN (AON)	32.00	51.9600	1,662 72	51.4106	1,645.14	17 58		
CREDIT SUISSE GROUP SPON ADR SPONSORED ADR CMN (CS)	73 00	19 2600	1,405.98	32.2120	2,351.48	(945 50)	4.0691	57.21
FLEXTRONICS INTERNATIONAL LTD CMN (FLEX)	452.00	6.7300	3,041.96	7 7524	3,504.07	(462.11)		

Goldman Sachs

Statement Detail

DHARMA GRACE FDN.- SOUND SHORE: LCV

Holdings (Continued)

Period Ended August 31, 2012

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
SOUND SHORE: LARGE CAP VALUE								
NOVARTIS AG-ADR SPONSORED ADR CMN (NVS)	55.00	59.0100	3,245 55	54.0173	2,970.95	274.60	3.5694	115.85
SANOFI SPONSORED ADR CMN (SNY)	76 00	40.9500	3,112.20	36.7009	2,789.27	322.93	3 4942	108 75
TOTAL SOUND SHORE: LARGE CAP VALUE			137,229.41		137,396.27	(166.85)	2.2659	2,516.26
			204.89					

		Market Value	Adjusted Cost / * Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO		137,434.30	137,396.27	(166.85)	2,516.26
	Less cash	(5,594.86)	(5,594.86)		
	Equities	131,839.44	131,801.41		

* Original Cost is price paid by purchaser adjusted for annual original issue discount inclusions and/or return of capital adjustments, if applicable. Adjusted Cost reflects adjustments to Original Cost for market discount accretion and/or premium amortization. Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
CHARLES LORRE 1880 CENTURY PARK EAST #950 LOS ANGELES, CA 90067	DIRECTOR & PRESIDENT 5.00	0.	0.	0.
LAWRENCE CHERKIS 1880 CENTURY PARK EAST #950 LOS ANGELES, CA 90067	DIRECTOR 1.00	0.	0.	0.
JOAN CHERKIS 1880 CENTURY PARK EAST #950 LOS ANGELES, CA 90067	DIRECTOR 1.00	0.	0.	0.
WILLIAM PRADY 1880 CENTURY PARK EAST #950 LOS ANGELES, CA 90067	DIRECTOR 1.00	0.	0.	0.
NORMAN KURLAND 1880 CENTURY PARK EAST #950 LOS ANGELES, CA 90067	DIRECTOR 1.00	0.	0.	0.
STEVEN GELON 1880 CENTURY PARK EAST #950 LOS ANGELES, CA 90067	SECRETARY/CFO 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions DHARMA-GRACE FOUNDATION C/O MANN GELON GLODNEY & AUGENSTEIN	Employer identification number (EIN) or [X] 95-4769888
	Number, street, and room or suite no. If a P.O. box, see instructions. 1880 CENTURY PARK EAST, SUITE 950	Social security number (SSN) [ ]
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. LOS ANGELES, CA 90067	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ MANN, GELON, GLODNEY & AUGENSTEIN 1880 CENTURY PARK EAST SUITE 950 - LOS ANGELES, CA 90067
  Telephone No. ▶ 310 277-3633 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until JULY 15, 2013 .

5 For calendar year ______ , or other tax year beginning SEP 1, 2011 , and ending AUG 31, 2012 .

6 If the tax year entered in line 5 is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN IS NOT YET AVAILABLE.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	**8a**	$ 0.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	**8b**	$ 0.
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	**8c**	$ 0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Title ▶ CPA Date ▶