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Form 990-PF

Department of the Treasury
Internal Revenue ServiceReturn 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

2012

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation THE SASSAFRAS FOUNDATION		A Employer identification number 20-3082522
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 3004		B Telephone number 203-481-4923
City or town, state, and ZIP code BRANFORD, CT 06405		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 11,195,071.	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		54.	54.		STATEMENT 1
4 Dividends and interest from securities		239,851.	239,851.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		266,641.			
b Gross sales price for all assets on line 6a		1,404,050.			
7 Capital gain net income (from Part IV, line 2)			266,641.		
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		506,546.	506,546.		
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		1,064.	0.		1,064.
b Accounting fees STMT 4		4,000.	2,000.		2,000.
c Other professional fees STMT 5		17,194.	17,116.		78.
17 Interest					
18 Taxes STMT 6		6,910.	2,910.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		29,168.	22,026.		3,142.
25 Contributions, gifts, grants paid		541,500.			541,500.
26 Total expenses and disbursements. Add lines 24 and 25		570,668.	22,026.		544,642.
27 Subtract line 26 from line 12		-64,122.			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			484,520.		
c Adjusted net income (if negative, enter -0-)				N/A	

223501 12-05-12 LHA For Paperwork Reduction Act Notice, see instructions.

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09280617 741510 SFDN

2012.03040 THE SASSAFRAS FOUNDATION

SFDN__1

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	50,198.	524,556.	524,556.
	2 Savings and temporary cash investments	271,469.	55,245.	55,245.
	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	1,780,666.	1,171,058.	1,376,109.
	b Investments - corporate stock STMT 8	6,748,843.	7,536,195.	8,251,665.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 9	1,200,000.	700,000.	987,496.
	14 Land, buildings, and equipment basis ▶			
	Less: accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	10,051,176.	9,987,054.	11,195,071.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	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. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	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	10,051,176.	9,987,054.	
30 Total net assets or fund balances	10,051,176.	9,987,054.		
31 Total liabilities and net assets/fund balances	10,051,176.	9,987,054.		

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	10,051,176.
2 Enter amount from Part I, line 27a	2	-64,122.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	9,987,054.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	9,987,054.

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Part IV Capital Gains and Losses for Tax on Investment Income

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 1,404,050.		1,137,409.	266,641.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(j) FMV as of 12/31/69	(l) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			266,641.

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	266,641.
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 the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	469,049.	10,899,850.	.043033
2010	464,675.	10,143,212.	.045811
2009	296,500.	8,787,555.	.033741
2008	534,988.	11,050,998.	.048411
2007	429,573.	12,948,693.	.033175

2 Total of line 1, column (d)	2	.204171
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	.040834
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	10,796,402.
5 Multiply line 4 by line 3	5	440,860.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,845.
7 Add lines 5 and 6	7	445,705.
8 Enter qualifying distributions from Part XII, line 4	8	544,642.

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 <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		1	4,845.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		2	0.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		3	4,845.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
3 Add lines 1 and 2		5	4,845.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		6a	6,428.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		6b	
6 Credits/Payments		6c	3,000.
a 2012 estimated tax payments and 2011 overpayment credited to 2012		6d	
b Exempt foreign organizations - tax withheld at source		7	9,428.
c Tax paid with application for extension of time to file (Form 8868)		8	
d Backup withholding erroneously withheld		9	
7 Total credits and payments. Add lines 6a through 6d		10	4,583.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		11	0.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed			
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid			
11 Enter the amount of line 10 to be Credited to 2013 estimated tax <input checked="" type="checkbox"/> 4,583. Refunded <input type="checkbox"/>			

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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 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.		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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?	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.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CT		
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	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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		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? Website address ► N/A	13	X	
14	The books are in care of ► EUCALYPTUS ASSOCIATES, INC. Telephone no ► 415-561-3346 Located at ► P.O. BOX 29550, 567 RUGER STREET, SAN FRANCISCO, ZIP+4 ► 94129			
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	
16	At any time during calendar year 2012, 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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here	1b	X
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 2012?	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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2012 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 2012.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2012?	4b	X

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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

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?

If "Yes" to 6b, file Form 8870.

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

N/A

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation.

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

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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	10,726,890.
b	Average of monthly cash balances	1b	233,924.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	10,960,814.
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	10,960,814.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	164,412.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,796,402.
6	Minimum investment return. Enter 5% of line 5	6	539,820.

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	539,820.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	4,845.
b	Income tax for 2012 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	4,845.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	534,975.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	534,975.
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	534,975.

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	544,642.
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	544,642.
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	4,845.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	539,797.

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.

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				534,975.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			533,659.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2012				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 544,642.				
a Applied to 2011, but not more than line 2a			533,659.	
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 2012 distributable amount				10,983.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (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 2011 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				523,992.
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 2007 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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 2012, 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)

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))

GORDON T. GEBALLE

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 or e-mail 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				
AMERICAN FARMLAND TRUST C/O CT.FARM BUR., 775 BLOOMFIELD AVE. WINDSOR, CT 06095	N/A	PUBLIC CHARITY	GENERAL SUPPORT	2,000.
CENTER FOR CHILDREN'S ADVOCACY 65 ELIZABETH STREET HARTFORD, CT 06105	N/A	PUBLIC CHARITY	GENERAL SUPPORT	20,000.
CENTRAL CONNECTICUT COAST YMCA/SOUNDVIEW YMCA 628 E. MAIN STREET BRANFORD, CT 06405	N/A	PUBLIC CHARITY	GENERAL SUPPORT - SOUNDVIEW FAMILY YMCA	5,000.
CHRISTIAN COMMUNITY ACTION 168 DAVENPORT AVENUE NEW HAVEN, CT 06519	N/A	PUBLIC CHARITY	GENERAL SUPPORT	65,000.
COMMUNITY DINING ROOM 30 HARRISON AVENUE BRANFORD, CT 06405	N/A	PUBLIC CHARITY	GENERAL SUPPORT	4,000.
Total	SEE CONTINUATION SHEET(S)			541,500.
b Approved for future payment				
NONE				
Total				0.

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 | | X |
| | (2) Other assets | | X |
| b | Other transactions | | |
| | (1) Sales of assets to a noncharitable exempt organization | | X |
| | (2) Purchases of assets from a noncharitable exempt organization | | X |
| | (3) Rental of facilities, equipment, or other assets | | X |
| | (4) Reimbursement arrangements | | X |
| | (5) Loans or loan guarantees | | X |
| | (6) Performance of services or membership or fundraising solicitations | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | | 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. | | |

[illegible]

- 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

Date 7/17/13

President

May the IRS discuss this return with the preparer shown below (see instr)?

**Paid
Preparer
Use Only**

Print/Type preparer's name

STEPHEN SCHWARZ

Preparer's signature

Stephen Schwarz

Date _____

6/21/13

Check ☐ if self-employed

PTIN	
------	--

P00932583

Firm's name ► EUCALYPTUS ASSOCIATES, INC.

Firm's EIN ► 94-2993395

Firm's address ► PO BOX 29550
SAN FRANCISCO, CA 94129-0550

Phone no 415-561-3346

Form **990-PF** (2012)

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	CAP. WORLD GROWTH & INC. FUND	P	VARIOUS	VARIOUS
b	CAP. WORLD GROWTH & INC. FUND	P	VARIOUS	VARIOUS
c	GOLDMAN SACHS - KESTREL A/C	P	VARIOUS	VARIOUS
d	GOLDMAN SACHS - KESTREL A/C	P	VARIOUS	VARIOUS
e	VANGUARD INFL.-PROT. SECS.FUND	P	VARIOUS	08/08/12
f	CAPITAL GAINS DIVIDENDS			
g				
h				
i				
j				
k				
l				
m				
n				
o				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 2,063.		2,173.	-110.
b 726.		751.	-25.
c 75,080.		56,246.	18,834.
d 435,656.		414,367.	21,289.
e 800,000.		663,872.	136,128.
f 90,525.			90,525.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			-110.
b			-25.
c			18,834.
d			21,289.
e			136,128.
f			90,525.
g			
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	266,641.
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 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
CONGREGATION BETH ELOHIM 274 GARFIELD PLACE BROOKLYN, NY 11215	N/A	PUBLIC CHARITY	GENERAL SUPPORT	25,000.
CONNECTICUT FUND FOR THE ENVIRONMENT 142 TEMPLE STREET NEW HAVEN, CT 06510	N/A	PUBLIC CHARITY	GENERAL SUPPORT	50,000.
CONNECTICUT NEWS PROJECT 1049 ASYLUM AVENUE, 2D FLOOR HARTFORD, CT 06105	N/A	PUBLIC CHARITY	GENERAL SUPPORT	90,000.
CONNECTICUT VOICES FOR CHILDREN 33 WHITNEY AVENUE NEW HAVEN, CT 06510	N/A	PUBLIC CHARITY	GENERAL SUPPORT	50,000.
DEMOS 220 FIFTH AVE., 5TH FLOOR NEW YORK, NY 10001	N/A	PUBLIC CHARITY	GENERAL SUPPORT	2,000.
DWIGHT HALL AT YALE PO BOX 209008 NEW HAVEN, CT 06520	N/A	PUBLIC CHARITY	GENERAL SUPPORT	20,000.
FAIR HOUSING JUSTICE CENTER 5 HANOVER SQUARE NEW YORK, NY 10004	N/A	PUBLIC CHARITY	GENERAL SUPPORT	5,000.
INTERNATIONAL FESTIVAL OF ARTS AND IDEAS 195 CHURCH ST. NEW HAVEN, CT 06510	N/A	PUBLIC CHARITY	GENERAL SUPPORT	40,000.
LEADERSHIP, EDUCATION, ATHLETICS IN PARTNERSHIP 31 JEFFERSON STREET NEW HAVEN, CT 06511	N/A	PUBLIC CHARITY	GENERAL SUPPORT	75,000.
LONG WHARF THEATRE 222 SARGENT DRIVE NEW HAVEN, CT 06511	N/A	PUBLIC CHARITY	GENERAL SUPPORT	5,000.
Total from continuation sheets				445,500.

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
NEW HAVEN LEGAL ASSISTANCE 426 STATE STREET NEW HAVEN, CT 06510	N/A	PUBLIC CHARITY	GENERAL SUPPORT	30,000.
NEW HAVEN SYMPHONY ORCHESTRA 105 COURT STREET, STE. 302 NEW HAVEN, CT 06511	N/A	PUBLIC CHARITY	GENERAL SUPPORT	2,500.
ONLINE JOURNALISM PROJECT 493 CENTRAL AVENUE NEW HAVEN, CT 06515	N/A	PUBLIC CHARITY	GENERAL SUPPORT	11,000.
PARTNERSHIP FOR STRONG COMMUNITIES THE LYCEYM, 227 LAWRENCE STREET HARTFORD, CT 06106	N/A	PUBLIC CHARITY	GENERAL SUPPORT	2,500.
UNITED WAY OF GREATER NEW HAVEN 370 JAMES STREET, STE. 403 NEW HAVEN, CT 06513	N/A	PUBLIC CHARITY	GENERAL SUPPORT	10,000.
URBAN RESOURCES INITIATIVE 195 PROSPECT STREET NEW HAVEN, CT 06511	N/A	PUBLIC CHARITY	GENERAL SUPPORT	7,500.
YALE UNIVERSITY 195 PROSPECT STREET NEW HAVEN, CT 06511	N/A	PUBLIC CHARITY	SCHOOL OF FORESTRY AND ENVIRONMENTAL STUDIES -- HAITI PROJECT	20,000.
Total from continuation sheets				

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

SOURCE	AMOUNT
GOLDMAN SACHS - KESTREL ACCOUNT	54.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	54.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CAPITAL GUARDIAN TRUST CO.	31,875.	0.	31,875.
GOLDMAN SACHS-KESTREL A/C	15,201.	0.	15,201.
TIFF MULTI-ASSET FUND	191,890.	77,533.	114,357.
VANGUARD INFL. PROT. SECS.	54,264.	12,992.	41,272.
VANGUARD PRIME MONEY MKT. FUND	59.	0.	59.
VANGUARD TOT. INT'L STK. FUND	16,976.	0.	16,976.
VANGUARD TOT. STK, MKT. INDEX	20,111.	0.	20,111.
TOTAL TO FM 990-PF, PART I, LN 4	330,376.	90,525.	239,851.

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 EXPENSE	1,064.	0.		1,064.
TO FM 990-PF, PG 1, LN 16A	1,064.	0.		1,064.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EUCALYPTUS ASSOCIATES	4,000.	2,000.		2,000.
TO FORM 990-PF, PG 1, LN 16B	4,000.	2,000.		2,000.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MGMT. FEES	17,116.	17,116.		0.
PO BOX FEE	78.	0.		78.
TO FORM 990-PF, PG 1, LN 16C	17,194.	17,116.		78.

FORM 990-PF	TAXES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX	6,428.	0.		0.
FOREIGN TAX	2,910.	2,910.		0.
EXCISE TAX REFUND	-2,428.	0.		0.
TO FORM 990-PF, PG 1, LN 18	6,910.	2,910.		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
VANGD. INFLAT. PROT. SECS. FUND	X		1,171,058.	1,376,109.
TOTAL U.S. GOVERNMENT OBLIGATIONS			1,171,058.	1,376,109.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			1,171,058.	1,376,109.

FORM 990-PF CORPORATE STOCK STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CAPITAL GUARDIAN	1,039,446.	1,036,946.
KESTREL CAP. MGMT.- SUPP. 2	1,174,214.	1,461,192.
TIFF MULTI-ASSET FUND	3,975,183.	4,246,724.
VANGD. TOTAL STK. MKT. FUND	831,283.	954,924.
VANGD. TOT. INT'L STK. IDX. FUND	516,069.	551,879.
TOTAL TO FORM 990-PF, PART II, LINE 10B	7,536,195.	8,251,665.

FORM 990-PF OTHER INVESTMENTS STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
HALL CAP. PARTNERS ABS. RET. FUND	COST	700,000.	987,496.
TOTAL TO FORM 990-PF, PART II, LINE 13		700,000.	987,496.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN CONTRIB	PLAN EXPENSE	ACCOUNT
GORDON T. GEBALLE P.O. BOX 3004 BRANFORD, CT 06405	PRESIDENT, DIRECTOR 1.00	0.	0.	0.	
SHELLEY D. GEBALLE P.O. BOX 3004 BRANFORD, CT 06405	SECT'Y/TREASURER/DIRECTOR 1.00	0.	0.	0.	
JOSHUA G. GEBALLE P.O. BOX 3004 BRANFORD, CT 06405	DIRECTOR 0.50	0.	0.	0.	
BENJAMIN D. GEBALLE P.O. BOX 3004 BRANFORD, CT 06405	DIRECTOR 0.50	0.	0.	0.	
DANIEL W. GEBALLE P.O. BOX 3004 BRANFORD, CT 06405	DIRECTOR 0.50	0.	0.	0.	
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.	

The Sassafras Foundation FEIN 20-3082522

Kestrel Investment Management

Gains/Losses - General Ledger

Year ending December 31, 2012

Acquisition Date	Sales Date	Security	Quantity	Cost Basis	Proceeds	Gain/Loss	
						Short-term	Long-term
05/02/11	01/12/12	Universal American	700	6,471.50	7,843.76	1,372.26	
05/02/11	01/17/12	Universal American	700	6,471.50	7,785.25	1,313.75	
05/19/10	01/31/12	RadioShack Corp	1,100	21,251.45	7,934.14		(13,317.31)
05/20/10	01/31/12	RadioShack Corp	600	11,411.16	4,327.72		(7,083.44)
06/03/10	02/02/12	Aceto Corp	600	3,949.68	4,454.67		504.99
01/11/10	02/14/12	Nash Finch Co	300	11,151.69	8,992.26		(2,159.43)
02/17/10	02/15/12	Synovis Life Tech	400	5,805.76	11,200.00		5,394.24
03/04/10	02/15/12	Synovis Life Tech	500	7,027.75	14,000.00		6,972.25
06/22/10	02/17/12	Aceto Corp	600	4,079.28	4,931.91		852.63
06/22/10	02/23/12	Aceto Corp	100	679.88	846.16		166.28
06/29/10	02/23/12	Aceto Corp	700	4,185.65	5,923.15		1,737.50
01/11/10	03/02/12	Nash Finch Co	300	11,151.69	8,422.61		(2,729.08)
09/16/11	04/02/12	Standard Parking	400	6,431.28	8,207.81	1,776.53	
09/30/11	04/02/12	Standard Parking	100	1,572.50	2,051.95	479.45	
09/30/11	04/13/12	Standard Parking	300	4,717.50	5,840.86	1,123.36	
02/17/09	04/13/12	Silicon Laboratories	400	9,290.96	16,792.34		7,501.38
11/18/10	04/20/12	Stage Stores	200	2,886.86	3,084.01		197.15
12/07/10	04/20/12	Stage Stores	400	6,595.20	6,168.02		(427.18)
02/17/09	04/24/12	Silicon Laboratories	500	11,613.70	20,132.39		8,518.69
12/03/07	05/04/12	Volterra Semiconductor	400	2,372.90	12,249.96		9,877.06
01/04/08	05/04/12	Volterra Semiconductor	200	1,983.02	6,034.28		4,051.26
12/07/10	05/07/12	Stage Stores	200	3,297.60	3,143.45		(154.15)
12/22/10	05/07/12	Stage Stores	400	6,842.28	6,286.89		(555.39)
12/22/10	05/08/12	Stage Stores	500	8,552.85	7,542.08		(1,010.77)
01/04/08	05/11/12	Volterra Semiconductor	400	5,949.06	12,068.57		6,119.51
03/11/09	06/14/12	PCTEL, Inc	300	1,245.18	2,024.80		779.62
03/24/09	06/14/12	PCTEL, Inc	200	903.38	1,349.87		446.49
11/16/10	07/03/12	Integrated Device Tech	500	3,100.00	2,817.33		(282.67)
11/18/10	07/03/12	Integrated Device Tech	100	645.60	563.47		(82.13)
11/18/10	07/06/12	Integrated Device Tech	600	3,873.60	3,222.64		(650.96)
03/24/09	07/09/12	PCTEL, Inc	600	2,710.14	3,805.65		1,095.51
11/18/10	07/10/12	Integrated Device Tech	500	3,228.00	2,573.59		(654.41)
11/22/10	07/10/12	Integrated Device Tech	600	3,928.56	3,088.31		(840.25)
11/22/10	07/12/12	Integrated Device Tech	500	3,273.80	2,455.49		(818.31)
11/24/10	07/12/12	Integrated Device Tech	100	659.73	491.10		(168.63)
11/24/10	07/20/12	Integrated Device Tech	800	5,277.84	3,902.23		(1,375.61)
12/01/10	07/24/12	Integrated Device Tech	900	6,029.64	4,217.21		(1,812.43)
12/01/10	07/26/12	Integrated Device Tech	200	1,339.92	957.92		(382.00)
12/02/10	07/26/12	Integrated Device Tech	500	3,467.60	2,394.79		(1,072.81)
12/20/10	07/26/12	Integrated Device Tech	100	675.13	478.96		(196.17)
03/03/10	07/26/12	StanCorp Fin'l Group	100	4,506.81	2,993.01		(1,513.80)
03/19/10	07/26/12	StanCorp Fin'l Group	300	14,017.29	8,979.04		(5,038.25)
12/20/10	07/27/12	Integrated Device Tech	500	3,375.65	2,483.54		(892.11)
03/19/10	07/30/12	StanCorp Fin'l Group	300	18,689.72	11,878.25		(6,811.47)
04/13/09	08/17/12	SkyWest Inc	400	6,152.64	3,355.12		(2,797.52)
04/16/09	08/17/12	SkyWest Inc	200	2,563.20	1,677.56		(885.64)

The Sassafras Foundation FEIN 20-3082522

Kestrel Investment Management

Gains/Losses - General Ledger

Year ending December 31, 2012

Acquisition Date	Sales Date	Security	Quantity	Cost Basis	Proceeds	Gain/Loss	
						Short-term	Long-term
06/14/11	08/28/12	Strayer Education	200	25,190.94	13,015.35		(12,175.59)
06/21/11	08/28/12	Strayer Education	100	12,382.64	6,507.67		(5,874.97)
01/19/12	09/07/12	Interline Brands Inc	600	10,486.32	15,300.00	4,813.68	
02/15/12	09/07/12	Interline Brands Inc	1,100	20,095.68	28,050.00	7,954.32	
12/08/10	09/17/12	Landec Corp	400	2,546.72	4,355.14		1,808.42
12/22/10	09/17/12	Landec Corp	200	1,190.16	2,177.57		987.41
12/22/10	09/24/12	Landec Corp	400	2,380.32	4,553.77		2,173.45
01/05/11	09/24/12	Landec Corp	200	1,272.70	2,276.89		1,004.19
01/05/11	10/01/12	Landec Corp	700	4,454.45	8,030.98		3,576.53
11/22/10	10/02/12	eHealth Inc	400	5,755.88	7,707.83		1,951.95
12/08/10	10/02/12	eHealth Inc	200	3,113.60	3,853.91		740.31
12/08/10	10/10/12	eHealth Inc	700	10,897.60	14,095.37		3,197.77
12/29/10	10/04/12	NCR Corp	500	7,692.25	11,198.59		3,506.34
01/05/11	10/04/12	NCR Corp	200	3,267.44	4,479.44		1,212.00
01/05/11	10/10/12	NCR Corp	500	8,168.60	10,963.30		2,794.70
01/12/11	10/10/12	NCR Corp	100	1,710.32	2,192.66		482.34
04/11/07	10/10/12	Broadbridge Financial	600	11,501.70	13,737.35		2,235.65
01/12/11	10/15/12	NCR Corp	500	8,551.60	11,056.75		2,505.15
02/11/11	10/15/12	NCR Corp	500	9,460.90	11,056.75		1,595.85
04/11/07	10/25/12	Broadbridge Financial	300	5,750.85	6,792.39		1,041.54
05/01/07	10/25/12	Broadbridge Financial	300	6,011.64	6,792.39		780.75
05/01/07	11/06/12	Broadbridge Financial	300	6,011.64	6,966.80		955.16
05/25/12	11/06/12	Broadbridge Financial	600	12,068.40	13,933.61		1,865.21
05/14/08	12/04/12	LifePoint Hospitals	300	9,589.89	10,703.04		1,113.15
05/14/08	12/04/12	LifePoint Hospitals	200	6,413.78	7,135.36		721.58
05/15/08	12/13/12	LifePoint Hospitals	600	19,241.34	21,828.11		2,586.77
Net short-term gains				56,246.28	75,079.63	18,833.35	
Net long-term gains				414,367.21	435,655.50		21,288.29
				470,613.49	510,735.13	18,833.35	21,288.29

PART IV-SUPPLEMENT 2
FEIN 20-3082522

Kestrel Investment Management Corporation
PORTFOLIO APPRAISAL WITH CUSIP
The Sassafras Foundation
December 31, 2012

Security Symbol	Cusip	Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	Yield
RESTRUCTURING									
ASCA	03070Q101	1,400	Ameristar Casinos	20 30	28,414 18	26 2400	36,736 00	2 4	1 9
ARRS	04269Q100	3,600	Arris Group Inc	10 44	37,573 09	14 9400	53,784 00	3 6	0 0
BYI	05874B107	1,100	Bally Technologies Inc	36 34	39,977 07	44 7100	49,181 00	3 3	0 0
BAS	06985P100	2,300	Basic Energy Services	11 71	26,929 38	11 4100	26,243 00	1 7	0 0
BBOX	091826107	800	Black Box Corp	23 40	18,719 88	24 3400	19,472 00	1 3	1 3
EAT	109641100	2,100	Brinker International	15 99	33,568 95	30 9900	65,079 00	4 3	2 6
BRS	110394103	900	Bristow Group	47 79	43,012 12	53 6600	48,294 00	3 2	1 5
CACI	127190304	700	CACI International	51 15	35,802 13	55 0300	38,521 00	2 6	0 0
CPIX	230770109	2,400	Cumberland Pharmaceut	5 35	12,843 72	4 2000	10,080 00	0 7	0 0
DV	251893103	2,000	DeVry, Inc	23 99	47,981 24	23 7300	47,460 00	3 1	1 4
EPL	26883D108	1,800	EPL Oil & Gas, Inc	14 11	25,394 34	22 5500	40,590 00	2 7	0 0
EGL	29285W104	1,200	Engility Holdings	16 40	19,677 48	19 2600	23,112 00	1 5	0 0
FMC	302491303	1,800	FMC Corp	15 39	27,693 33	58 5200	105,336 00	7 0	0 9
FAF	31847R102	2,300	First American Financial	14 50	33,359 22	24 0900	55,407 00	3 7	2 0
GTI	384313102	4,400	GrafTech Intl	9 80	43,102 36	9 3900	41,316 00	2 7	0 0
HCC	404132102	1,400	HCC Insurance Holdings	24 93	34,907 96	37 2100	52,094 00	3 5	1 8
HAE	405024100	1,200	Haemonetics Corp	27 58	33,097 23	40 8400	49,008 00	3 3	0 0
HHS	416196103	3,400	Harte-Hanks Inc	8 26	28,076 10	5 9000	20,060 00	1 3	5 8
HL	422704106	9,100	Hecla Mining	5 15	46,906 83	5 8300	53,053 00	3 5	1 5
HMN	440327104	1,600	Horace Mann Educatrs	17 22	27,554 84	19 9600	31,936 00	2 1	3 2
HII	446413106	1,100	Huntington Ingalls Ind	39 41	43,346 46	43 3400	47,674 00	3 2	0 9
IMN	45245A107	1,700	Ination Corp	10 07	17,123 71	4 6700	7,939 00	0 5	0 0
LMOS	550283105	650	Lumos Networks	10 42	6,774 56	10 0200	6,513 00	0 4	5 6
MGLN	559079207	1,000	Magellan Health Svcs	30 22	30,219 13	49 0000	49,000 00	3 2	0 0
MATX	57686G105	1,400	Matson, Inc	21 44	30,019 58	24 7200	34,608 00	2 3	2 4
MATW	577128101	700	Matthews International	31 79	22,253 14	32 1000	22,470 00	1 5	1 2
MWW	611742107	5,800	Monster Worldwide Inc	7 04	40,837 20	5 6200	32,596 00	2 2	0 0
NTLS	67020Q305	650	NTELOS Holdings	25 08	16,301 69	13 1097	8,521 31	0 6	12 8
NAVJ	638904102	300	Navigators Group	44 69	13,406 39	51 0700	15,321 00	1 0	0 0
OPLK	68375Q403	1,600	Oplink Communications	16 34	26,139 68	15 5800	24,928 00	1 7	0 0
PMC	71714F104	1,800	PharMerica Corp	13 34	24,007 68	14 2400	25,632 00	1 7	0 0
POST	737446104	1,300	Post Holdings	30 06	39,078 94	34 2500	44,525 00	3 0	0 0
STR	748356102	2,500	Questar Corp	17 07	42,686 78	19 7600	49,400 00	3 3	3 4
SWM	808541106	1,000	Schweitzer-Mauduit Intl	26 43	26,431 65	39 0300	39,030 00	2 6	1 5
SKYW	830879102	2,900	SkyWest Inc	11 69	33,906 85	12 4600	36,134 00	2 4	1 3
SYMM	871543104	2,600	Symmetrecom Inc	5 93	15,418 76	5 7700	15,002 00	1 0	0 0
TECD	878237106	800	Tech Data	40 41	32,331 54	45 5300	36,424 00	2 4	0 0
VASC	92231M109	1,100	Vascular Solutions	11 32	12,455 12	15 8000	17,380 00	1 2	0 0

PART IV-SUPPLEMENT 2
FEIN 20-3082522

Kestrel Investment Management Corporation
PORTFOLIO APPRAISAL WITH CUSIP
The Sassafras Foundation
December 31, 2012

Security Symbol	Cusip	Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	Yield
WBSN	947684106	1,400	WebSense Inc	23 62	33,066 57	15 0400	21,056 00	1 4	0 0
WRLD	981419104	800	World Acceptance	28 20	22,558 92	74 5600	59,648 00	4 0	0 0
					1,172,955 77		1,460,563 31	96 9	1 1
CASH AND EQUIVALENTS					1,258.16				
SASSCA			Cash - Sassafras Foundation		1174213.93		46,606 53	3 1	0 2
DIVACCR			Dividend & Interest Accruals		629 00		629 00	0 0	0 0
							47,235 53	3 1	0 2
TOTAL PORTFOLIO					1,220,191.30		1,507,798.84	100.0	1.1

Book/tax
Per Book

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file) You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. THE SASSAFRAS FOUNDATION	Employer identification number (EIN) or 20-3082522
	Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 3004	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. BRANFORD, CT 06405	

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

04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	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

EUCALYPTUS ASSOCIATES, INC. - P.O. BOX 29550, 567 RUGER

- The books are in the care of ► **STREET - SAN FRANCISCO, CA 94129**

Telephone No. ► **415-561-3346**

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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2013**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2012** or
► ☐ tax year beginning , and ending .

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a 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.	3a	\$	9,428.
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.	3b	\$	6,428.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	3,000.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 1-2013)