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

**2012**Department of the Treasury  
Internal Revenue Service

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

For calendar year 2012, or tax year beginning , 2012, and ending

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

**A** Employer identification number  
27-2956336

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

**C** If exemption application is pending, check here ☐

**D** 1 Foreign organizations, check here ☐

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

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

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

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

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

**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)  
\$ 2,134,583.

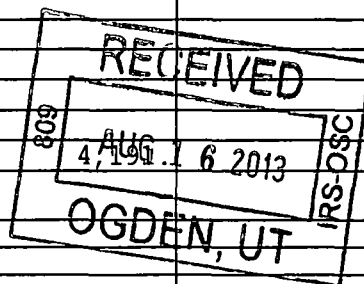
**J** Accounting method: ☒ Cash ☐ Accrual  
☐ Other (specify) (Part I, column (d) must be on cash basis.)

**Part I Analysis of Revenue and Expenses**

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
------------------------------------	---------------------------	-------------------------	---

1	Contributions, gifts, grants, etc., received (att sch)			
2	CK <input checked="" type="checkbox"/> if the foundn is not req to att Sch B			
3	Interest on savings and temporary cash investments	5.	5.	5.
4	Dividends and interest from securities	75,427.	75,427.	75,427.
5a	Gross rents			
b	Net rental income or (loss)			
6a	Net gain/(loss) from sale of assets not on line 10	139,430.		
b	Gross sales price for all assets on line 6a	1,799,880.		
7	Capital gain net income (from Part IV, line 2)		139,430.	
8	Net short-term capital gain			64,574.
9	Income modifications			
10a	Gross sales less returns and allowances			
b	Less Cost of goods sold			
c	Gross profit/(loss) (att sch)			
11	Other income (attach schedule)			
	See Statement 1	-2,908.		
12	Total. Add lines 1 through 11	211,954.	214,862.	140,006.
13	Compensation of officers, directors, trustees, etc	0.		
14	Other employee salaries and wages			
15	Pension plans, employee benefits			
16a	Legal fees (attach schedule) See St 2	200.		
b	Accounting fees (attach sch)			
c	Other prof fees (attach sch)			
17	Interest			
18	Taxes (attach schedule) See Stm 3	4,191.		
19	Depreciation (attach sch) and depletion			
20	Occupancy			
21	Travel, conferences, and meetings			
22	Printing and publications			
23	Other expenses (attach schedule) See Statement 4	4,743.	4,726.	
24	Total operating and administrative expenses. Add lines 13 through 23	9,134.	8,917.	
25	Contributions, gifts, grants paid Part XV	102,000.		102,000.
26	Total expenses and disbursements. Add lines 24 and 25	111,134.	8,917.	0.
27	Subtract line 26 from line 12:			
a	Excess of revenue over expenses and disbursements	100,820.		
b	Net investment income (if negative, enter -0-)		205,945.	
c	Adjusted net income (if negative, enter -0-)			140,006.



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**Part II Balance Sheets**

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

Beginning of year

End of year

		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>ASSETS</b>	1 Cash — non-interest-bearing	785.	20,285.	20,285.
	2 Savings and temporary cash investments	213,216.	304,292.	304,292.
	3 Accounts receivable			
	Less: allowance for doubtful accounts			
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments — U.S. and state government obligations (attach schedule)			
	b Investments — corporate stock (attach schedule)	1,065,918.	1,390,706.	1,342,378.
	c Investments — corporate bonds (attach schedule)	543,358.	395,159.	397,842.
	11 Investments — land, buildings, and equipment: basis			
<b>LIABILITIES</b>	Less: accumulated depreciation (attach schedule)			
	12 Investments — mortgage loans			
	13 Investments — other (attach schedule)	255,503.	69,870.	69,786.
	14 Land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)			
	15 Other assets (describe)			
	16 Total assets (to be completed by all filers — see the instructions Also, see page 1, item I)	2,078,780.	2,180,312.	2,134,583.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
<b>NET FUND ASSETS</b>	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
<b>FUND BALANCES</b>	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund	20,000.	20,000.	
	29 Retained earnings, accumulated income, endowment, or other funds	2,058,780.	2,160,312.	
	30 Total net assets or fund balances (see instructions)	2,078,780.	2,180,312.	
	31 Total liabilities and net assets/fund balances (see instructions)	2,078,780.	2,180,312.	

**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	2,078,780.
2 Enter amount from Part I, line 27a	2	100,820.
3 Other increases not included in line 2 (itemize) <u>See Statement 5</u>	3	712.
4 Add lines 1, 2, and 3	4	2,180,312.
5 Decreases not included in line 2 (itemize)	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	2,180,312.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)

(b) How acquired  
P — Purchase  
D — Donation(c) Date acquired  
(month, day, year)(d) Date sold  
(month, day, year)

1 a See Statement 6

b

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

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

(i) Fair Market Value  
as of 12/31/69(j) Adjusted basis  
as of 12/31/69(k) Excess of column (i)  
over column (j), if any(l) Gains (Column (h)  
gain minus column (k), but not less  
than -0-) or Losses (from column (h))

a

b

c

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

139,430.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):

If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0-  
in Part I, line 8

3

64,574.

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

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

N/A

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☐ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2011			
2010			
2009			
2008			
2007			

2 Total of line 1, column (d)

2

3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the  
number of years the foundation has been in existence if less than 5 years

3

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5

4

5 Multiply line 4 by line 3

5

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

7 Add lines 5 and 6

7

8 Enter qualifying distributions from Part XII, line 4

8

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the  
Part VI instructions.

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 — see instructions)**

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary — see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	4,119.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	4,119.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-		5	4,119.
6 Credits/Payments:			
a 2012 estimated tax pmts and 2011 overpayment credited to 2012.	6 a	1,640.	
b Exempt foreign organizations — tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c	2,500.	
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	4,140.	
8 Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	21.	
11 Enter the amount of line 10 to be. Credited to 2013 estimated tax	21.	Refunded	0.

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		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 <b>Form 1120-POL</b> 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 \$ 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.		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
4 a 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 <b>Form 990-T</b> for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T.		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, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) NV		
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

See Statement 7

**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. . . . .	13	X	
N/A				
14	The books are in care of	THE FOUNDATION		
	Located at	P.O. BOX 6879 INCLINE VILLAGE NV		
	Telephone no	(510) 487-1155		
	ZIP + 4	89454		
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?	16		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country				

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

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

	Yes	No
<b>1 a</b> 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 type="checkbox"/> Yes	<input checked="" 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>b</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	1 b	N/A
<b>c</b> 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?	1 c	X
<b>2</b> 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)).		
<b>a</b> 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?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If 'Yes,' list the years	20 11	20 __ , 20 __ , 20 __
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> 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)	2 b	X
<b>c</b> If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here	20 __ , 20 __ , 20 __ , 20 __	
<b>3 a</b> 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>b</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.)	3 b	N/A
<b>4 a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
<b>b</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?	4 b	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)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5 b 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?

6 b 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

7 b

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MALIK A. ALARAB P.O. BOX 6879 INCLINE VILLAGE, NV 89454	President 5.00	0.	0.	0.

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

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

Total number of other employees paid over \$50,000

0

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services		0

**Part IX-A** Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments (see instructions)

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

BAA

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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:	
<b>a</b> Average monthly fair market value of securities	<b>1 a</b> 1,759,424.
<b>b</b> Average of monthly cash balances	<b>1 b</b> 413,109.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1 c</b>
<b>d</b> Total (add lines 1a, b, and c)	<b>1 d</b> 2,172,533.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1 e</b> 0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b> 0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b> 2,172,533.
<b>4</b> Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b> 32,588.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b> 2,139,945.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b> 106,997.

**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.)

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b> 106,997.
<b>2 a</b> Tax on investment income for 2012 from Part VI, line 5	<b>2 a</b> 4,119.
<b>b</b> Income tax for 2012 (This does not include the tax from Part VI)	<b>2 b</b>
<b>c</b> Add lines 2a and 2b	<b>2 c</b> 4,119.
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b> 102,878.
<b>4</b> Recoveries of amounts treated as qualifying distributions.	<b>4</b>
<b>5</b> Add lines 3 and 4	<b>5</b> 102,878.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>
<b>7</b> Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b> 102,878.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	
<b>a</b> Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	<b>1 a</b> 102,000.
<b>b</b> Program-related investments — total from Part IX-B	<b>1 b</b>
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:	
<b>a</b> Suitability test (prior IRS approval required)	<b>3 a</b>
<b>b</b> Cash distribution test (attach the required schedule)	<b>3 b</b>
<b>4</b> Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b> 102,000.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	<b>5</b>
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4.	<b>6</b> 102,000.

**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.

BAA

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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				102,878.
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			102,763.	
b Total for prior years: 20__, 20__, 20__		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: ▶ \$ 102,000.				
a Applied to 2011, but not more than line 2a			102,000.	
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.				0.
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 instructions			763.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				102,878.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions).	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	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				

N/A

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

(4) Gross investment income. . .

[illegible]

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
<i>a Paid during the year</i>				
AMERICAN UNIVERSITY OF BEIRUT 3 DAG HAMMARSKJOLD PLAZA, 8TH FLOOR NEW YORK, NY 10017	NONE	PUBLIC CH	FOR EDUCATIONAL SCHOLARSHIPS.	52,000.
UNIVERSITY OF CA BERKELEY FOUNDATION 2080 ADDISON ST #4200 BERKELEY, CA 94720	NONE	PUBLIC CH	FOR EDUCATIONAL SCHOLARSHIPS.	50,000.
<b>Total</b>			<b>3 a</b>	102,000.
<i>b Approved for future payment</i>				
<b>Total</b>			<b>3 b</b>	

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions )
		(a) Business code	(b) Amount	(c) Exclu- sion 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					5.
4	Dividends and interest from securities					75,427.
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					139,430.
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue:					
a	ENERGY TRANSFER PTNR L.P.		-2,003.			
b	INERGY, L.P.		-905.			
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)		-2,908.			214,862.
13	Total. Add line 12, columns (b), (d), and (e)					211,954.

(See worksheet in line 13 instructions to verify calculations.)

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

[illegible]



## ALARAB EDUCATION FOUNDATION

27-2956336

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

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
ENERGY TRANSFER PTNR L.P..	\$ -2,003.		
ENERGY, L.P.	-905.		
Total	\$ -2,908.	\$ 0.	\$ 0.

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

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL FEES	\$ 200.			
Total	\$ 200.	\$ 0.	\$ 0.	\$ 0.

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

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FEDERAL TAX PAID	\$ 3,251.	\$ 3,251.		
FOREIGN TAX PAID	940.	940.		
Total	\$ 4,191.	\$ 4,191.	\$ 0.	\$ 0.

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

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BANK CHARGES	\$ -8.			
FINANCIAL ADVISOR FEES	4,726.	\$ 4,726.		
LICENSES & FEES	25.			
Total	\$ 4,743.	\$ 4,726.	\$ 0.	\$ 0.

## ALARAB EDUCATION FOUNDATION

27-2956336

**Statement 5**  
**Form 990-PF, Part III, Line 3**  
**Other Increases**

Prior Period Adjustments . . . . . Total \$ 712.  
 Total \$ 712.

**Statement 6**  
**Form 990-PF, Part IV, Line 1**  
**Capital Gains and Losses for Tax on Investment Income**

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	VARIOUS SEE SCHWAB SCHED ST CAPITAL GAIN-8780	Purchased	Various	Various
2	VARIOUS SEE SCHWAB SCHED LT CAPITAL GAIN-8780	Purchased	Various	Various
3	5.0000 CALL VERIZON COMMUN INC	Purchased	12/05/2012	12/05/2012
4	5.0000 CALL VERIZON COMMUN INC	Purchased	12/05/2012	12/05/2012
5	VARIOUS SEE SHORT TERM OPTION SCHEDULE - 7135	Purchased	Various	Various
6	VARIOUS WFA COVERED SEC-ACCT 8220 ST SCHED	Purchased	Various	Various
7	VARIOUS WFA NONCOVERED SEC-ACCT 8220 ST SCHED	Purchased	Various	Various
8	VARIOUS WFA COVERED SEC-ACCT 8220 LT SCHED	Purchased	Various	Various
9	VARIOUS WFA NONCOVERED SEC-ACCT 8220 LT SCHED	Purchased	Various	Various
10	800.0000 ENERGY TRANSFER PARTNERS LP	Purchased	Various	8/08/2012
11	600 INERGY LP	Purchased	Various	8/08/2012
12	VARIOUS WFA COVERED SEC - 7135 ST SCHED	Purchased	Various	Various
13	VARIOUS WFA COVERED SEC - 7135 LT SCHED	Purchased	Various	Various
14	VARIOUS WFA NONCOVERED SEC - 7135 LT SCHED	Purchased	Various	Various

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
1	479,918.		430,506.	49,412.				\$ 49,412.
2	298,858.		256,476.	42,382.				42,382.
3	316.		130.	186.				186.
4	266.		120.	146.				146.
5	2,991.		441.	2,550.				2,550.
6	51,059.		49,019.	2,040.				2,040.
7	83,292.		83,270.	22.				22.
8	27,144.		25,000.	2,144.				2,144.
9	176,475.		173,063.	3,412.				3,412.
10	34,667.		27,682.	6,985.				6,985.
11	11,466.		16,028.	-4,562.				-4,562.
12	260,021.		249,803.	10,218.				10,218.
13	300,727.		285,518.	15,209.				15,209.
14	72,680.		63,394.	9,286.				9,286.
							Total	\$ 139,430.

**2012**

**Federal Statements**

**Page 3**

**ALARAB EDUCATION FOUNDATION**

**27-2956336**

**Statement 7**  
**Form 990-PF, Part VII-A, Line 8b**  
**Copies of Form 990-PF to State Officials**

NOT REQUIRED BY THE STATE OF NEVADA.

Charles SCHWAB

Schwab One® Account of  
ALARAB EDUCATION FOUNDATION

Account Number  
9342-8780

Report Period  
January 1 - December 31,  
2012

2012 Year-End Schwab Gain/Loss Report

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

Realized Gain or (Loss)

Short-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
A T & T INC NEW: T	108.0000	04/02/12	09/17/12	\$4,048.94	\$3,405.24	\$643.70
A T & T INC NEW: T	392.0000	04/02/12	09/17/12	\$14,696.14	\$12,359.76	\$2,336.38
A T & T INC NEW: T	1,500.0000	08/28/12	09/17/12	\$56,235.24	\$55,200.00	\$1,035.24
Security Subtotal				\$74,980.32	\$70,965.00	\$4,015.32
CLIFFS NATURAL RES INC. CLF	500.0000	02/30/12	09/10/12	\$20,284.55	\$17,885.00	\$2,399.55
Security Subtotal				\$20,284.55	\$17,885.00	\$2,399.55
DUKE ENERGY CORP NEW DUK	100.0000	03/02/11	01/26/12	\$2,148.78	\$1,795.13	\$353.65
DUKE ENERGY CORP NEW DUK	200.0000	03/02/11	01/26/12	\$4,297.56	\$3,590.24	\$707.32
DUKE ENERGY CORP NEW DUK	200.0000	03/02/11	01/26/12	\$4,297.56	\$3,590.24	\$707.32
DUKE ENERGY CORP NEW DUK	200.0000	03/02/11	01/26/12	\$4,297.56	\$3,590.60	\$706.96
DUKE ENERGY CORP NEW DUK	400.0000	03/02/11	01/26/12	\$8,595.11	\$7,180.39	\$1,414.72
DUKE ENERGY CORP NEW DUK	900.0000	03/02/11	01/26/12	\$19,339.02	\$16,156.79	\$3,182.23
DUKE ENERGY CORP NEW DUK	1,000.0000	03/02/11	01/26/12	\$21,487.80	\$17,951.97	\$3,535.83



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Report Period  
January 1 - December 31,  
2012

Schwab One® Account of  
ALARAB EDUCATION FOUNDATION

Account Number  
9342-8780

2012 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

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

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
DUKE ENERGY CORP NEW: DUK	2,000.0000	05/11/11	01/26/12	\$42,975.60	\$37,848.95	\$5,126.65
Security Subtotal				\$107,438.99	\$91,704.31	\$15,734.68
LILLY ELI & COMPANY LLY	1,000.0000	03/02/11	01/26/12	\$39,620.29	\$34,178.95	\$5,441.34
LILLY ELI & COMPANY: LLY	200.0000	07/19/12	10/19/12	\$9,724.26	\$8,896.00	\$828.26
LILLY ELI & COMPANY: LLY	800.0000	08/28/12	10/19/12	\$38,897.04	\$36,104.00	\$2,793.04
Security Subtotal				\$88,241.59	\$79,178.95	\$9,062.64
MERCK & CO INC NEW: MRK	147.0000	12/23/11	09/17/12	\$6,451.70	\$5,557.76	\$893.94
MERCK & CO INC NEW MRK	353.0000	12/23/11	09/17/12	\$15,492.82	\$13,346.19	\$2,146.63
MERCK & CO INC NEW MRK	100.0000	01/26/12	09/17/12	\$4,388.90	\$3,884.38	\$504.52
MERCK & CO INC NEW MRK	100.0000	01/26/12	09/17/12	\$4,388.90	\$3,884.83	\$504.07
MERCK & CO INC NEW MRK	100.0000	01/26/12	09/17/12	\$4,388.90	\$3,884.90	\$504.00
MERCK & CO INC NEW MRK	700.0000	01/26/12	09/17/12	\$30,722.31	\$27,193.57	\$3,528.74
Security Subtotal				\$55,833.53	\$57,751.63	\$8,081.90
PFIZER INCORPORATED: PFE	64.0000	12/23/11	09/17/12	\$1,535.97	\$1,389.37	\$146.60

*Charles SCHWAB*

Schwab One® Account of  
ALARAB EDUCATION FOUNDATION

Account Number  
9342-8780

Report Period  
January 1 - December 31,  
2012

2012 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

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

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
PFIZER INCORPORATED: PFE	100.0000	12/23/11	09/17/12	\$2,399.95	\$2,170.90	\$229.05
PFIZER INCORPORATED: PFE	100.0000	12/23/11	09/17/12	\$2,399.95	\$2,170.90	\$229.05
PFIZER INCORPORATED: PFE	138.0000	12/23/11	09/17/12	\$3,311.93	\$2,995.84	\$316.09
PFIZER INCORPORATED: PFE	162.0000	12/23/11	09/17/12	\$3,887.91	\$3,516.85	\$371.06
PFIZER INCORPORATED: PFE	436.0000	12/23/11	09/17/12	\$10,463.76	\$9,465.09	\$998.67
PFIZER INCORPORATED: PFE	31.0000	01/26/12	09/17/12	\$743.98	\$659.43	\$74.55
PFIZER INCORPORATED: PFE	36.0000	01/26/12	09/17/12	\$863.98	\$777.40	\$86.58
PFIZER INCORPORATED: PFE	46.0000	01/26/12	09/17/12	\$1,151.98	\$1,036.53	\$115.45
PFIZER INCORPORATED: PFE	369.0000	01/26/12	09/17/12	\$8,855.80	\$7,968.36	\$887.44
PFIZER INCORPORATED: PFE	523.0000	01/26/12	09/17/12	\$12,551.72	\$11,293.91	\$1,257.81
PFIZER INCORPORATED: PFE	993.0000	01/26/12	09/17/12	\$23,831.46	\$21,443.32	\$2,388.14
Security Subtotal				\$71,998.39	\$64,897.90	\$7,100.49
PPL CORPORATION PPL	100.0000	09/12/12	11/06/12	\$2,589.02	\$2,885.50	\$3.52



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*charles* SCHWABSchwab One® Account of  
ALARAB EDUCATION FOUNDATIONReport Period  
January 1 - December 31,  
2012  
Account Number  
9342-8780

## 2012 Year-End Schwab Gain/Loss Report

Accounting Method  
Mutual Funds Average  
All Other Investments High Cost

## Realized Gain or (Loss) (continued)

Short-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
PPL CORPORATION: PPL	100.0000	09/12/12	11/06/12	\$2,889.04	\$2,885.90	\$3.14
PPL CORPORATION: PPL	300.0000	09/12/12	11/06/12	\$8,667.11	\$8,657.46	\$9.65
PPL CORPORATION: PPL	500.0000	09/12/12	11/06/12	\$14,445.18	\$14,429.50	\$15.68
Security Subtotal				\$28,890.35	\$28,858.36	\$31.99
VERIZON COMMUNICATIONS: VZ	500.0000	04/02/12	09/17/12	\$22,250.00	\$19,265.00	\$2,985.00
Security Subtotal				\$22,250.00	\$19,265.00	\$2,985.00
Total Short-Term				\$479,917.72	\$430,506.15	\$49,411.57

Long-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
C M S ENERGY CORP CMS	100.0000	03/02/11	09/17/12	\$2,309.10	\$1,917.50	\$391.80
C M S ENERGY CORP CMS	100.0000	03/02/11	09/17/12	\$2,308.95	\$1,917.30	\$391.65
C M S ENERGY CORP CMS	200.0000	03/02/11	09/17/12	\$4,617.90	\$3,834.60	\$783.30
C M S ENERGY CORP CMS	500.0000	03/02/11	09/17/12	\$11,545.24	\$9,586.49	\$1,958.75

charles SCHWAB

Schwab One® Account of  
ALARAB EDUCATION FOUNDATION

Account Number  
9342-8780

Report Period  
January 1 - December 31,  
2012

2012 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

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

Long-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
CMS ENERGY CORP: CMS	1,100.0000	03/02/11	09/17/12	\$25,399.53	\$21,090.27	\$4,309.26
Security Subtotal				\$46,180.72	\$38,345.96	\$7,834.76
COUNTRYWIDE NEW 7 00%66SUBJ XTRO RDMPTN FNL MTY11/1/66 SCHD. CFC+B	2,000.0000	03/02/11	08/20/12	\$49,938.88	\$48,848.95	\$1,089.93
Security Subtotal				\$49,938.88	\$48,848.95	\$1,089.93
EDISON INTERNATIONAL EIX	1,000.0000	05/24/11	09/06/12	\$44,340.01	\$39,284.48	\$5,055.53
EDISON INTERNATIONAL EIX	1,000.0000	05/24/11	09/24/12	\$45,998.97	\$39,284.47	\$6,714.50
Security Subtotal				\$90,338.98	\$78,568.95	\$11,770.03
PHILLIPS 66: PSX	500.0000	03/02/11	09/17/12	\$23,399.48	\$17,906.22	\$5,493.26
Security Subtotal				\$23,399.48	\$17,906.22	\$5,493.26



charles SCHWAB

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Schwab One® Account of  
ALARAB EDUCATION FOUNDATION

Account Number  
9342-8780

Report Period  
January 1 - December 31,  
2012

## 2012 Year-End Schwab Gain/Loss Report

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

### Realized Gain or (Loss) (continued)

Long-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
VERIZON COMMUNICATIONS: VZ	2,000.0000	03/02/11	09/17/12	\$89,000.01	\$72,805.97	\$16,194.04
Security Subtotal				\$89,000.01	\$72,805.97	\$16,194.04
Total Long-Term				\$298,858.07	\$256,476.05	\$42,382.02

### Total Realized Gain or (Loss)

\$778,775.79

\$91,793.59

Schwab has provided realized gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. See Terms and Conditions.  
Option Customers: Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options. Please consult IRS publication 550, Investment Income and Expenses, for additional information on Options

# 2012 SUMMARY AMENDMENT

Page 22 of 22

Account Number: 7964-7135  
ALARAB EDUCATION FOUNDATION

## Realized Gain/Loss

### Option Activity Gain/Loss Detail for Year

SHORT TERM OPTIONS						
Description	Share Quantity	Adjusted Price/ Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost
C COP 042112 77.50	-3.00000	1.1700	02/24/12	04/21/12	350.99	0.00
C DE 031712 90	-2.00000	1.8500	01/30/12 02/24/12	02/27/12	369.99	30.00
C DE 051912 85	-2.00000	0.9600	04/27/12 05/14/12	05/15/12	192.00	18.00
C LMT 042112 92.50	-3.00000	0.6200	02/24/12 04/02/12	04/03/12	186.00	120.00
C LMT 051912 92.50	-3.00000	0.8000	04/27/12 05/04/12	05/07/12	239.99	21.00
C MRK 021812 39	-8.00000	0.5500	12/27/11	02/18/12	439.99	0.00
C RDSB 072112 80	-4.00000	1.2500	02/24/12 04/02/12	04/03/12	499.99	160.00
C SCCO 042112 36	-8.00000	0.5300	02/24/12 03/16/12	03/19/12	423.99	80.00
C SO 021812 47	-6.00000	0.4800	12/27/11 01/25/12	01/26/12	287.99	12.00
<b>TOTAL SHORT TERM OPTIONS</b>					<b>\$2,990.93</b>	<b>\$441.00</b>
						<b>\$2,549.93</b>

p Cost may be inaccurate due to adjustments reported by the partnerships to you on schedule K-1

B Option premiums are included in the proceeds when the underlying option results in a sale. Similarly, option premiums are included in the cost basis when the underlying option results in a purchase.



## 2012 SUMMARY

Page 5 of 13

As of Date: 2/08/13

### Your Financial Advisor

RENO CLOSED  
PETER EVANECKO  
5340 KIETZKE LN STE 101  
RENO NV 89511  
(866) 281-7436

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

Account Number: 8076-8220

### Year-End Account Summary

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

For non covered transactions, we provide supplemental cost basis information, when it is available, to assist you with completing your tax return, however, THIS INFORMATION IS NOT PROVIDED TO THE INTERNAL REVENUE SERVICE

#### SHORT TERM GAINS OR LOSSES (Box 1c) FOR COVERED SECURITIES (Box 6)

##### Proceeds from Broker and Barter Exchange Transactions for 2012

Description (Box 8)	Stock or Other Symbol (Box 1d)	Quantity Sold (Box 1e)	Unit Price	Acquisition Date (Box 1b)	Date of Sale or Exchange (Box 1a)	Value, Price (Box 2a)	Cost or Other Basis (Box 3)	Gain or Loss Amount	Supplemental Information
BANK OF AMERICA B 20% NON CUM PERPETUITD SER H		600 0000	25.22000	08/16/11	08/08/12	15,131.65	14,411.64	720.01	CALL
CALL STARTING 5/1/13		400 0000	25.22100	08/16/11	08/08/12	10,083.17	9,607.76	475.41	CALL
CUSIP 060505765		1,000 0000				25,214.82	24,019.40	1,195.42	
Subtotal						25,844.41	25,000.00	844.41	CALL
NATIONAL RETAIL 6.25% PFD						51,059.23	49,019.40	2,039.83	
PLAYS INC PERPETUITY DDFP									
SHR DDFP CALL 2/23/17									
CUSIP 637417501		1,000 0000	25.85000	02/15/12	08/08/12	25,844.41	25,000.00	844.41	CALL

#### TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES

#### SHORT TERM GAINS OR LOSSES (Box 1c) FOR NONCOVERED SECURITIES (Box 6)

##### Proceeds from Broker and Barter Exchange Transactions for 2012

Description (Box 8)	Stock or Other Symbol (Box 1d)	Quantity Sold (Box 1e)	Unit Price	Acquisition Date (Box 1b)	Date of Sale or Exchange (Box 1a)	Value, Price (Box 2a)	Cost or Other Basis (Box 3)	Gain or Loss Amount	Supplemental Information
AUS TRAILIAN GOV RNMENI									
SR UNSECURE D									
SER 1B123									
CPN 5.750% DUE 04/15/17									
CUSIP 00819ACV0		45,000 0000	N/A	04/26/11	04/18/12	46,728.23	49,193.81	-2,465.58	REDEMPTION

# 2012 SUMMARY

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As of Date: 2/08/13

**Your Financial Advisor**  
RENO CLOSED  
PETER EVANECKO  
5340 KIETZKE LN STE 101  
RENO NV 89511  
(866) 281-7436

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

Account Number: 8076-8220

## Year-End Account Summary

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

### SHORT TERM GAINS OR LOSSES (Box 1c) FOR NONCOVERED SECURITIES (Box 6) Proceeds from Broker and Barter Exchange Transactions for 2012

Description (Box 8) (Box 1d) Stock or Other Symbol	Quantity Sold (Box 1e)	Unit Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Sales Price (Box 2a)	Cost or Other Basis (Box 3)	Gain or Loss Amount	Transaction Description
MORGAN STANLEY 6.45% PFD CAP TRUST VIII 4/15/2067 CALL STARTING 11/15/12 CUSIP 61153R200	1,500 0000	24.38000	VARIOUS	08/08/12	36,564.16	34,076.61	2,487.55	SALE
<b>TOTAL SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES</b>					83,292.39	83,270.42	21.97	

continued

### SUPPLEMENTAL INFORMATION

### LONG TERM GAINS OR LOSSES (Box 1c) FOR COVERED SECURITIES (Box 6) Proceeds from Broker and Barter Exchange Transactions for 2012

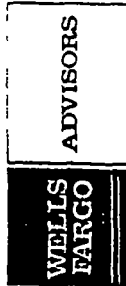
Description (Box 8) (Box 1d) Stock or Other Symbol	Quantity Sold (Box 1e)	Unit Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Sales Price (Box 2a)	Cost or Other Basis (Box 3)	Gain or Loss Amount	Transaction Description
PUBLIC STORAGE 6.35% PFD CUM PREFL RPTD PLRP 5ARR CALL 7/26/16 CUSIP 1446001175	1,000 0000	27.15000	07/19/11	08/08/12	27,144.38	25,000.00	2,144.38	SALE
<b>TOTAL LONG TERM GAINS OR LOSSES FOR COVERED SECURITIES</b>					27,144.38	25,000.00	2,144.38	

### SUPPLEMENTAL INFORMATION

### LONG TERM GAINS OR LOSSES (Box 1c) FOR NONCOVERED SECURITIES (Box 6) Proceeds from Broker and Barter Exchange Transactions for 2012

Description (Box 8) (Box 1d) Stock or Other Symbol	Quantity Sold (Box 1e)	Unit Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Sales Price (Box 2a)	Cost or Other Basis (Box 3)	Gain or Loss Amount	Transaction Description
COUNTRYWIDE CAP V 7% DUE 11/1/2036 CALL STARTING 11/1/2011 CUSIP 222388209	1,000 0000	24.4000	01/19/11	08/08/12	24,464.44	24,255.00	209.44	SALE

### SUPPLEMENTAL INFORMATION



## 2012 SUMMARY

Page 7 of 13

As of Date: 2/08/13

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#### LONG TERM GAINS OR LOSSES (Box 1c) FOR NONCOVERED SECURITIES (Box 6) Proceeds from Broker and Barter Exchange Transactions for 2012

continued

Description (Box 8) Stock or Other Symbol (Box 1d)	Quantity Sold (Box 1e)	Unit Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Sales Price (Box 2a)	Cost or Other Basis (Box 3)	SUPPLEMENTAL INFORMATION	
							Gain or Loss Amount	Transaction Description
FORD MOTOR CREDIT COLL. MEDIUM TERM NOTES CPN 3.250% DUE 05/20/14 DTG 05/26/11 FC 11/20/11 CUSIP 345401AA0	50,000 0000	101.11700	05/23/11	08/08/12	50,553.50	50,000.00	553.50	SALE
GOLDMAN SACHS 6.125% PFI SR NOTE MAT 11/1/60 CALL 11/1/15 CUSIP 48145X111	1,242 0000 758 0000 2,000.0000	25.17000 25.17500	03/11/11 03/11/11	08/08/12 08/08/12	31,943.51 19,513.05 51,456.56	30,432.11 18,572.89 49,005.00	1,511.40 940.16 2,451.56	SALE SALE SALE
NATIONAL CITY CAP 6.625% DUE 5/25/2017 CALL STARTING 5/25/12 CUSIP 63540X201	1,000 0000	N/A	VARIOUS	05/25/12	25,000.00	24,967.68	32.32	REDEMPTION
WACHOVIA 6.375% CAP IRV DUE 11/1/2017 CALL STARTING 11/1/2012 CUSIP 929811207	1,000 0000	N/A	01/19/11	04/13/12	25,000.00	24,835.00	165.00	REDEMPTION
TOTAL LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES							3,411.82	

Box 2a Sales price less commissions and option premiums

Wells Fargo Advisors  
Summary of Gains and Losses  
Year 2012  
Account # 7964-7135

Alarab Education Foundation  
EIN: 27-2956336

Description	Qty Sold	Date of Acquisition	Date of Sale	Sales Price	Cost or Basis	Gain/ Loss
<b>Short Term Gains or Losses for Covered Securities</b>						
American Electric Power	200	08/08/11	08/08/12	8,336	7,096	1,240
Barrick Gold Corp	200	04/27/12	08/08/12	6,892	8,114	(1,222)
Barrick Gold Corp	100	05/08/12	08/08/12	3,446	3,655	(209)
Conoco Phillips	100	08/08/11	08/08/12	5,689	5,093	596
Conoco Phillips	100	05/14/12	08/08/12	5,689	5,284	405
Conoco Phillips	100	05/23/12	08/08/12	5,690	5,118	572
Deere & Co	200	10/19/11	08/08/12	15,872	14,122	1,750
Dow Chemical Co	700	11/14/11	02/17/12	24,213	19,425	4,788
Enerplus Corp	500	09/20/11	08/08/12	7,307	13,475	(6,168)
Enerplus Corp	500	04/02/12	08/08/12	7,307	11,350	(4,043)
Exelon Corp	100	08/08/11	08/08/12	3,790	4,149	(359)
Exelon Corp	100	08/09/11	08/08/12	3,790	3,991	(201)
Exelon Corp	100	05/08/12	08/08/12	3,790	3,792	(2)
Exelon Corp	300	05/23/12	08/08/12	11,370	10,995	375
Fifth Street Finance Corp	126	08/09/11	08/08/12	1,320	1,063	257
Fifth Street Finance Corp	300	08/09/11	08/08/12	3,142	2,531	611
Fifth Street Finance Corp	100	08/09/11	08/08/12	1,047	844	204
Fifth Street Finance Corp	74	08/09/11	08/08/12	775	624	151
Merck & Co	800	10/19/11	08/08/12	35,295	26,208	9,087
New York Community Bancorp	200	08/09/11	08/08/12	2,604	2,358	246
New York Community Bancorp	100	08/09/11	08/08/12	1,302	1,179	123
Pepsico Holdings Inc	1000	04/02/12	08/08/12	19,374	18,900	474
Pepsico Incorporated	100	04/27/12	08/08/12	7,264	6,633	631
Pfizer Incorporated	300	08/09/11	08/08/12	7,130	5,136	1,994
Phillips 66	100	05/16/11	05/14/12	3,120	3,271	(151)
Phillips 66	50	08/08/11	05/14/12	1,560	1,513	47
Sanfori ADR	150	04/27/12	08/08/12	6,212	5,798	415
Sanfori ADR	150	05/08/12	08/08/12	6,212	5,372	841
Sanfori ADR	100	05/14/12	08/08/12	4,141	3,530	611
Sanfori ADR	200	05/23/12	08/08/12	8,283	6,756	1,527
Southern Copper Corp	0.56	02/28/12	02/28/12	18	0	18
Southern Copper Corp	202	08/09/11	08/08/12	6,755	5,610	1,145
Telefonica S A Spon ADR	600	11/14/11	08/08/12	7,454	11,358	(3,903)
Telefonica S A Spon ADR	400	11/14/11	08/08/12	4,970	7,572	(2,602)
Total S.A. Spons ADR	100	05/08/12	08/08/12	4,933	4,530	403
Waste Mgmt Inc Del	100	04/27/12	08/08/12	3,482	3,415	67
Waste Mgmt Inc Del	100	04/27/12	08/08/12	3,482	3,415	67
Waste Mgmt Inc Del	200	05/14/12	08/08/12	6,964	6,530	434
<b>Total Short Term Gains or Losses for Covered Securities</b>				<b>260,021</b>	<b>249,803</b>	<b>10,218</b>

Wells Fargo Advisors  
Summary of Gains and Losses  
Year 2012  
Account # 7964-7135

Alarab Education Foundation  
EIN: 27-2956336

Description	Qty Sold	Date of Acquisition	Date of Sale	Sales Price	Cost or Basis	Gain/ Loss
<b>Long Term Gains or Losses For Covered Securities</b>						
American Electric Power	250	03/18/11	08/08/12	10,420	8,462	1,958
AT&T Inc	400	01/27/11	08/08/12	14,857	11,136	3,721
Barrick Gold Corp	200	07/07/11	08/08/12	6,892	9,304	(2,412)
ConocoPhillips	200	05/16/11	08/08/11	11,378	11,005	372
Exelon Corp	300	06/14/11	08/08/11	11,370	12,531	(1,161)
Fifth Street Finance	500	05/19/11	08/08/12	5,236	6,143	(907)
Fifth Street Finance	100	06/14/11	08/08/12	1,047	1,160	(112)
Fifth Street Finance	400	06/14/11	08/08/12	4,192	4,639	(447)
Fifth Street Finance	126	08/04/11	08/08/12	1,320	1,248	72
Fifth Street Finance	174	08/04/11	08/08/12	1,823	1,724	100
Johnson & Johnson	400	01/06/11	08/08/12	27,365	25,216	2,149
Johnson & Johnson	200	03/15/11	08/08/12	13,683	11,630	2,053
Lockheed Martin Corp	150	05/26/11	08/08/12	13,555	11,670	1,885
Lockheed Martin Corp	50	08/04/11	08/08/12	4,518	3,613	906
Lockheed Martin Corp	100	08/05/11	08/08/12	9,037	7,297	1,740
New York Community Bankcorp	800	03/24/11	08/08/12	10,417	13,808	(3,391)
New York Community Bankcorp	100	06/14/11	08/08/12	1,302	1,565	(263)
New York Community Bankcorp	100	06/14/11	08/08/12	1,302	1,565	(263)
New York Community Bankcorp	200	08/04/11	08/08/12	2,605	2,580	25
New York Community Bankcorp	100	08/04/11	08/08/12	1,302	1,290	12
Royal Dutch Shell PLCADR B	400	01/06/11	08/08/12	29,318	26,352	2,967
Southern Copper Corp	252.5	03/24/11	08/08/12	8,443	10,438	(1,994)
Southern Copper Corp	151.5	04/08/11	08/08/12	5,066	5,952	(886)
Southern Copper Corp	202	04/14/11	08/08/12	6,755	7,220	(465)
The Southern Company	600	01/06/11	08/08/12	28,121	22,734	5,388
Total S.A. Spons ADR	200	05/16/11	08/08/12	9,866	11,470	(1,604)
Total S.A. Spons ADR	100	06/21/11	08/08/12	4,933	5,572	(639)
Total S.A. Spons ADR	100	08/04/11	08/08/12	4,933	4,995	(62)
United Parcel Service	150	04/01/11	04/10/12	11,718	11,181	537
United Parcel Service	50	04/01/11	08/08/12	3,788	3,727	61
United Parcel Service	100	08/04/11	08/08/12	7,575	6,603	972
Verizon Communications	600	01/06/11	08/08/12	26,588	21,690	4,898
Total Long Term Gains or Losses for Covered Securities				300,727	285,518	15,209

Wells Fargo Advisors  
Summary of Gains and Losses  
Year 2012  
Account # 7964-7135

Alarab Education Foundation  
EIN: 27-2956336

Description	Qty Sold	Date of Acquisition	Date of Sale	Sales Price	Cost or Basis	Gain/ Loss
<b>Long Term Gains or Losses for Noncovered Securities</b>						
AT&T Inc	800	12/21/10	08/08/12	29,715	23,280	6,435
Blackrock Kelso Capital Corp	1100	12/21/10	08/08/12	10,560	12,524	(1,963)
Blackrock Kelso Capital Corp	550	12/21/10	08/08/12	5,280	6,265	(984)
Blackrock Kelso Capital Corp	50	12/21/10	08/08/12	480	570	(89)
Blackrock Kelso Capital Corp	300	12/21/10	08/08/12	2,880	3,417	(537)
Pfizer Incorporated	1000	12/21/10	08/08/12	23,765	17,340	6,426
Total Long Term Gains or Losses for Noncovered Securities				72,680	63,394	9,286
Grand Totals				633,428	598,715	34,713