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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

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

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning , and ending

Name of foundation Hand Family Foundation, Inc.		A Employer identification number 31-1185981
Number and street (or P.O. box number if mail is not delivered to street address) 315 S Hand Ave	Room/suite	B Telephone number (see instructions) 574-267-3525
City or town, state, and ZIP code Warsaw IN 46580		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <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) \$ 1,574,683	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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	36,025	36,025		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	26,871			
	b Gross sales price for all assets on line 6a	208,973			
	7 Capital gain net income (from Part IV line 2)		26,871		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	62,896	62,896	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) Stmt 1	1,900	1,900		
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) Stmt 2	574	574		
	19 Depreciation (attach schedule) and depletion Stmt 3	1,229			
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att sch) Stmt 4	11,523	11,448		
	24 Total operating and administrative expenses. Add lines 13 through 23	15,226	13,922	0	0
	25 Contributions, gifts, grants paid	68,150			68,150
26 Total expenses and disbursements. Add lines 24 and 25	83,376	13,922	0	68,150	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-20,480				
b Net investment income (if negative, enter -0-)		48,974			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

Form 990-PF (2012)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments		133,899	95,982	95,982
	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 (att. schedule) ▶ Less: allowance for doubtful accounts ▶	0			
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments – U S and state government obligations (attach schedule) Stmt 5		128,359	137,741	148,949
	b	Investments – corporate stock (attach schedule) See Stmt 6		925,216	950,229	1,204,759
	c	Investments – corporate bonds (attach schedule) See Stmt 7		136,010	116,616	124,993
	11	Investments – land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach sch.) ▶				
	12	Investments – mortgage loans				
	13	Investments – other (attach schedule)				
	14	Land, buildings, and equipment basis ▶ 10,828 Less: accumulated depreciation (attach sch.) ▶ Stmt 8 4,732		4,060	6,096	
	15	Other assets (describe ▶ See Statement 9)		2	2	
	16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)		1,327,546	1,306,666	1,574,683
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	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 checked="" type="checkbox"/>				
	24	Unrestricted		1,327,546	1,306,666	
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds			1,327,544	
	30	Total net assets or fund balances (see instructions)		1,327,546	1,306,666	
	31	Total liabilities and net assets/fund balances (see instructions)		1,327,546	1,306,666	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,327,546
2	Enter amount from Part I, line 27a	2	-20,480
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,307,066
5	Decreases not included in line 2 (itemize) ▶ See Statement 10	5	400
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,306,666

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 See Worksheet				
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) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
a				
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	26,871
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	2,943

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	72,094	1,533,534	0.047012
2010	45,525	1,431,107	0.031811
2009	64,560	1,259,411	0.051262
2008	80,650	1,518,849	0.053099
2007	87,409	1,776,516	0.049202
2 Total of line 1, column (d)			2 0.232386
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 0.046477
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 1,527,977
5 Multiply line 4 by line 3			5 71,016
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 490
7 Add lines 5 and 6			7 71,506
8 Enter qualifying distributions from Part XII, line 4 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.			8 68,150

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)		
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	979
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	979
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	979
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	881
b	Exempt foreign organizations – tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	881
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	1
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	99
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2013 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the 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
c Did the foundation file Form 1120-POL for this year?	N/A	
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2	X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	N/A	X
b If "Yes," has it filed a tax return on Form 990-T 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	5	X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> IN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X

Part VII-A Statements Regarding Activities (continued)

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 ► John G. Hand 315 S. Hand Ave. Located at ► Warsaw	Telephone no. ► 574-267-3525 IN ZIP+4 ► 46580		
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		<input type="checkbox"/>
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 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	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	N/A	
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?	N/A	
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 ► 20 , 20 , 20 , 20	<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	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20	N/A	
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	
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?		X

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

5a During the year did the foundation pay or incur any amount to

(1) ~~Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?~~ ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

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

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **N/A** ☐ **5b**

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ☐ Yes ☒ No **X**

If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **7b**

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
William F. Hand 1702 Willow Lane	Warsaw IN 46580	Pres. 0.10	0	0
Ronald W. Hand 1392 Hudson St.	DuPont WA 98327	VP 0.10	0	0
Terry E. Hand 315 S. Hand Ave	Warsaw IN 46580	Sec. Treas 0.50	0	0
John G. Hand 315 S. Hand Ave	Warsaw IN 46580	Manager 1.00	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

Form 990-PF (2012) **Hand Family Foundation, Inc.****31-1185981**Page **7****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

**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 Cash contributions to 501(c)(3) organizations	
2 LCD computer projectors, computer, and accessory equipment held solely to loan to charitable organizations for use in Powerpoint presentations by charity.	68,150
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	

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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	1,535,885
b	Average of monthly cash balances	1b	15,361
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	1,551,246
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	1,551,246
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	23,269
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,527,977
6	Minimum investment return. Enter 5% of line 5	6	76,399

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	76,399
2a	Tax on investment income for 2012 from Part VI, line 5	2a	979
b	Income tax for 2012 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	979
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	75,420
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	75,420
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	75,420

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	68,150
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	68,150
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	68,150

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				75,420
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			22,586	
b Total for prior years 20____, 20____, 20____				
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				
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 68,150				
a Applied to 2011, but not more than line 2a			22,586	
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2012 distributable amount				45,564
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b. Taxable amount – see instructions				
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount – see instructions				
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				29,856
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a				
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)

1a 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)

	Tax year				(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon.					
a "Assets" alternative test – enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test – enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the 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))

N/A

- 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

N/A**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

N/A

- b** The form in which applications should be submitted and information and materials they should include

N/A

- c** Any submission deadlines

N/A

- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

N/A

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year Charitable Donations				68,150
Total			▶ 3a	68,150
b Approved for future payment N/A				
Total			▶ 3b	

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2012
For calendar year 2012, or tax year beginning _____, and ending _____		

Name Hand Family Foundation, Inc.	Employer Identification Number 31-1185981
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(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)
(1) Washington Mutual InvCUSIP 939330106	P	Various	08/16/12
(2) Washington Mutual Inv American Funds	P	Various	01/17/12
(3) Fairpoint Commun Inc	P	03/13/09	03/06/12
(4) Pharmaceutical Holdrs Depository	P	01/03/05	03/06/12
(5) Yellow Media Ltd	P	12/21/10	12/31/12
(6) Yellow Media Ltd 22WTSFWarrants	P	12/21/10	12/31/12
(7) LPL Short-Term Covered	P	Various	Various
(8) LPL Short-Term Noncovered	P	Various	Various
(9) LPL Long-Term Covered	P	Various	Various
(10) LPL Long-Term Noncovered	P	Various	Various
(11) LPL Short Term Covered	P	Various	Various
(12) LPL Long-Term Noncovered	P	Various	Various
(13) LPL Long-term Noncovered	P	Various	Various
(14) Capital Gains Distribution			
(15)			

(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)
(1) 20,000		14,706	5,294
(2) 10,000		7,881	2,119
(3)		2,613	-2,613
(4) 7,157		7,212	-55
(5)		2	-2
(6) 1		777	-776
(7) 25,349		22,409	2,940
(8) 2			2
(9) 41,782		36,322	5,460
(10) 64,987		46,725	18,262
(11) 2		1	1
(12) 39,111		39,623	-512
(13)		3,831	-3,831
(14) 582			582
(15)			

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) Gains (Col (h) gain minus col (k), but not less than -0-) OR Losses (from col (h))
(1)			5,294
(2)			2,119
(3)			-2,613
(4)			-55
(5)			-2
(6)			-776
(7)			2,940
(8)			2
(9)			5,460
(10)			18,262
(11)			1
(12)			-512
(13)			-3,831
(14)			582
(15)			

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Accounting Fees	\$ 1,900	\$ 1,900	\$	\$
Total	\$ 1,900	\$ 1,900	0	0

Statement 2 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Foreign Taxes Paid	\$ 574	\$ 574	\$	\$
Total	\$ 574	\$ 574	0	0

Statement 3 - Form 990-PF, Part I, Line 19 - Depreciation

Date Acquired	Description	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
	Depreciation Expense	\$	451			\$ 1,229	\$	\$
Total		\$ 0	451			\$ 1,229	0	0

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses				
Rounding				
Dues & Publications	45			
Investment Fees	11,399	11,399		
Service Charges	49	49		
Filing Fees	30			
Total	<u>\$ 11,523</u>	<u>\$ 11,448</u>	<u>\$ 0</u>	<u>\$ 0</u>

Federal Statements

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Statement 5 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
LPL Government Bonds	\$ 128,359	\$ 137,741	Cost	\$ 148,949
Total	\$ 128,359	\$ 137,741		\$ 148,949

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Washington Mutual	\$ 407,427		Cost	\$
Edward Jones Stocks	24,752	24,752	Cost	16,227
Edward Jones Washington Mutual Fund		397,274	Cost	537,670
Charles Schwab Equities	90,278	120,924	Cost	159,333
LPL Common Stocks	402,759	407,279	Cost	491,529
Total	\$ 925,216	\$ 950,229		\$ 1,204,759

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
LPL Corp Bonds	\$ 136,010	\$ 116,616	Cost	\$ 124,993
Total	\$ 136,010	\$ 116,616		\$ 124,993

Statement 8 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
Equipment	\$ 7,564	\$ 10,828	\$ 4,732	\$
Accumulated Depreciation				

Federal Statements**Statement 8 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment (continued)**

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
Total	\$ 7,564	\$ 10,828	\$ 4,732	\$ 0

31-1185981

Federal Statements

FYE: 12/31/2012

Statement 9 - Form 990-PF, Part II, Line 15 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Fair Market Value</u>
Rounding	\$ <u>2</u>	\$ <u>2</u>	\$ <u> </u>
Total	\$ <u>2</u>	\$ <u>2</u>	\$ <u>0</u>

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

<u>Description</u>	<u>Amount</u>
Federal Excise Taxes Paid	\$ <u>400</u>
Total	\$ <u>400</u>

2012 Contributions

Payee/Address	Amount
2 nd Mile Adventures, Inc. P.O. Box 733 Winona Lake, IN 46590	31,750.00
Abundant Life Assembly of God P.O. Box 782 Warsaw, IN 46581-0782	2,000.00
American Cancer Society P.O. Box 68928 Indianapolis, IN 46268-0928	100.00
American Diabetes Association	200.00
American Heart Association Indiana Office P.O. Box 681550 Indianapolis, IN 46268-7550	100.00
Baker Youth Clubs 765 W. Market St. Warsaw, IN 46580	600.00
Cardinal Center, Inc. 504 N. Bay Drive Warsaw, IN 46580	1,000.00
Committee to Commemorate Dr. Martin Luther King, Jr , Inc. 102 South Buffalo Street Warsaw, IN 46580	150.00
Campus Crusade for Christ P.O. Box 628222 Orlando, FL 32862-8222	1,000.00
Grace College 200 Seminary Drive Winona Lake, IN 46590	700.00
Habitat for Humanity Of Kosciusko County 1702 E. Center Street Warsaw, IN 46580	150.00
Heartline Pregnancy Center, Inc. P.O. Box 1201 Warsaw, IN 46581-1201	1,000.00
Heifer Project International, Inc 1 World Avenue Little Rock, AR 72202	5,000.00

Hope Alive, Inc. 1747 North Wells Street Fort Wayne, IN 46808-3235	500.00
ICDI – Integrated Community Development International P O. Box 247 Winona Lake, IN 46590	5,000.00
Independent Colleges of Indiana 101 West Ohio Street Suite 440 Indianapolis, IN 46204	500.00
Kosciusko Economic Development, Inc. 313 South Buffalo Street, Ste. A Warsaw, IN 46580	200.00
Indiana Wildlife Federation, Inc 4715 W. 106 th Street Zionsville, IN 46077	200.00
Junior Achievement 601 Noble Drive Fort Wayne, IN 46825	125 00
Knights of Columbus P.O. Box 871 Warsaw, IN 46581-0871	100.00
Kosciusko County Cancer Care Fund P.O. Box 1809 Warsaw, IN 46581-1809	200.00
Kosciusko County Community Fair, Inc. 1400 East Smith Street P.O Box 1093 Warsaw, IN 46581-1093	100.00
Kosciusko County Educational Development P O. Box 174 Warsaw, IN 46581-0174	825.00
Kosciusko County Historical Society PO Box 1071 Warsaw, IN 46581-1071	1,000 00
Kosciusko County Soccer League P.O Box 1112 Warsaw, IN 46581	350 00
Kosciusko Home Care & Hospice, Inc. P O. Box 1196 Warsaw, IN 46581-1196	150.00

Kosciusko Literacy Services 1802 East Winona Avenue Warsaw, IN 46580	150.00
Lakeland Child Evangelism Ministries, Inc. P.O. Box 612 Winona Lake, IN 46590	250.00
Lifeline Youth & Family Services, Inc. 7136 Gettysburg Pike P.O. Box 80487 Fort Wayne, IN 46898-0487	1,100.00
National Wildlife Federation 11100 Wildlife Center Drive Reston, VA 20190-5362	50.00
National Parks Conservation Association 1300 19 th Street, NW Suite 300 Washington, DC 20036	100.00
Potawatomi Wildlife Park 16998 State Road 331 Tippecanoe, IN 46570	1,000.00
Purple Martin Conservation Association Tom Ridge Environmental Center 301 Peninsula Drive, Suite 6 Erie, PA 16505	100.00
Rails-To-Trails Conservancy 2121 Ward Court, NW, 5 th Floor Washington, DC 20037	200.00
Send International P O Box 513 Farmington, MI 48332	500.00
SmileTrain 41 Madison Avenue, 28 th Floor New York, NY 10010	350.00
South Bend Symphony Orchestra 127 North Michigan Street South Bend, IN 46601-1603	2,000.00
Teens 'n Tots Parenting Center 337 N. Buffalo Street Warsaw, IN 46580	1,000.00
The Beaman Home P.O. Box 12 Warsaw, IN 46581-0012	100.00

The Catherine Peachey Fund, Inc. P.O. Box 1823 Warsaw, IN 46581-1823	250.00
The Nature Conservancy 4245 North Fairfax Drive Suite 100 Arlington, VA 22203-1606	100.00
Tri Kappa 233 Circle Tower Building Indianapolis, IN 46204	50.00
Warsaw Christian School 909 S Buffalo Street Warsaw, IN 46580	100.00
Warsaw Community High School 1 Tiger Lane Warsaw, IN 46580	50.00
Warsaw Police Dept - D.A.R.E. Fund P.O. Box 1297 Warsaw, IN 46581-1297	100.00
WNIT34 Television P.O. Box 3434 Elkhart, IN 46515-3434	100.00
Youth For Christ P.O. Box 1221 Warsaw, IN 46581	7,500.00

OVERALL TOTAL	\$68,150.00
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