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 , 2012, and ending , 20

Name of foundation
THE CHESTERMAN FAMILY FOUNDATION

A Employer identification number
91-2086157

Number and street (or P O box number if mail is not delivered to street address)
4700 SOUTH LEWIS BOULEVARD
P. O. BOX 3657

Room/suite

B Telephone number (see instructions)
(712) 252-2653
EXT 3125

City or town, state, and ZIP code
SIOUX CITY, IA 51102

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, col. (c), line 16)* ▶ $ 2,118,575.

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

		Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)*	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)	500,000			
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	42,535.	42,535.		ATCH 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	27,482			
	b	Gross sales price for all assets on line 6a 204,329.				
	7	Capital gain net income (from Part IV, line 2)		27,482.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) ATCH 2	874.	874.		
	12	**Total.** Add lines 1 through 11	570,891.	70,891.		
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) ATCH 3	1,550.	1,550.		
	c	Other professional fees (attach schedule) *	12,724.	12,724.		
	17	Interest				
	18	Taxes (attach schedule) (see instructions) ATCH 5	1,815.	506.		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 6	23.	23.		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	16,112.	14,803.		
	25	Contributions, gifts, grants paid	86,000.			86,000.
	26	**Total expenses and disbursements.** Add lines 24 and 25	102,112.	14,803.	0	86,000.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	468,779.			
	b	**Net investment income** (if negative, enter -0-)		56,088.		
	c	**Adjusted net income** (if negative, enter -0-)				

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JSA **For Paperwork Reduction Act Notice, see instructions.**
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*ATCH 4

Form **990-PF** (2012)

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Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	26,341.	518,905.	518,905.
	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 schedule) ▶ ______ Less: allowance for doubtful accounts ▶ ______			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U.S and state government obligations (attach schedule)**	256,041.	248,400.	254,399.
	b	Investments - corporate stock (attach schedule) ATCH 8	1,147,545.	1,110,712.	1,273,756.
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment: basis ▶ ______ Less, accumulated depreciation (attach schedule) ▶ ______			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule) ATCH 9	50,778.	71,467.	71,515.
	14	Land, buildings, and equipment: basis ▶ ______ Less, accumulated depreciation (attach schedule) ▶ ______			
	15	Other assets (describe ▶ ______)			
	16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	1,480,705.	1,949,484.	2,118,575.
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.			
	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, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	1,480,705.	1,949,484.	
	30	Total net assets or fund balances (see instructions)	1,480,705.	1,949,484.	
	31	Total liabilities and net assets/fund balances (see instructions)	1,480,705.	1,949,484.	

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	1,480,705.
2	Enter amount from Part I, line 27a	2	468,779.
3	Other increases not included in line 2 (itemize) ▶ ______	3	
4	Add lines 1, 2, and 3	4	1,949,484.
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	1,949,484.

**ATCH 7

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 PART IV SCHEDULE			
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	27,482.
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	0

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	84,328.	1,589,896.	0.053040
2010	63,843.	1,090,319.	0.058554
2009	64,830.	967,691.	0.066995
2008	55,742.	1,193,500.	0.046705
2007	79,244.	1,435,619.	0.055198

2	**Total** of line 1, column (d)	2	0.280492
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	0.056098
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	1,618,260.
5	Multiply line 4 by line 3	5	90,781.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	561.
7	Add lines 5 and 6	7	91,342.
8	Enter qualifying distributions from Part XII, line 4	8	86,000.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________________ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	561.
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	
3	Add lines 1 and 2	3	561.
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	561.
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a: 680.		
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	680.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	119.
11	Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶ 119. **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ __________ (2) On foundation managers. ▶ $ __________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ __________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
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) ▶ __________			
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)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ CY W. CHESTERMAN SR. Telephone no. ▶ 712-252-2653

Located at ▶ 4700 LEWIS BLVD, SIOUX CITY, IOWA ZIP+4 ▶ 51104

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

			Yes	No
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		
	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
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	2b		X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4b		X

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

			Yes	No
5a	During the year did the foundation pay or incur any amount to:			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		X
	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?	☐ Yes ☒ No		
	If "Yes," attach the statement required by Regulations section 53.4945-5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		X
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	**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
CY W. CHESTERMAN, SR. SIOUX CITY, IA	DIRECTOR- TIME AS NEEDED	0	0	0
NANCY C. SMITH INDIANAPOLIS, IN	DIRECTOR- TIME AS NEEDED	0	0	0
SUSAN C. BERGESON DAKOTA DUNES, SD	DIRECTOR- TIME AS NEEDED	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 NONE	
2	
All other program-related investments. See instructions. 3 NONE	
Total. Add lines 1 through 3 ▶	

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	1,585,619.
b	Average of monthly cash balances	1b	57,285.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,642,904.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) **1e**		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,642,904.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	24,644.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,618,260.
6	**Minimum investment return.** Enter 5% of line 5	6	80,913.

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	80,913.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	561.		
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	561.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	80,352.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	80,352.
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	80,352.

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	86,000.
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	86,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	561.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	85,439.

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					80,352.
2	Undistributed income, if any, as of the end of 2012.					
a	Enter amount for 2011 only					
b	Total for prior years: 20 10 ,20 09 ,20 08					
3	Excess distributions carryover, if any, to 2012:					
a	From 2007					
b	From 2008					
c	From 2009	2,531.				
d	From 2010	9,641.				
e	From 2011	6,177.				
f	Total of lines 3a through e		18,349.			
4	Qualifying distributions for 2012 from Part XII, line 4: ▶ $ 86,000.					
a	Applied to 2011, but not more than line 2a					
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					80,352.
e	Remaining amount distributed out of corpus		5,648.			
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		23,997.			
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					
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		23,997.			
10	Analysis of line 9:					
a	Excess from 2008					
b	Excess from 2009	2,531.				
c	Excess from 2010	9,641.				
d	Excess from 2011	6,177.				
e	Excess from 2012	5,648.				

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

NOT APPLICABLE

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

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

CY W. CHESTERMAN

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:

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

c Any submission deadlines.

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ATCH 10				
Total ▶ 3a				86,000.
b *Approved for future payment*				
Total ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	42,536.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	27,481.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b ATCH 11					874.
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				70,017.	874.

13 Total. Add line 12, columns (b), (d), and (e) . . . . . 13 70,891.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions.)
4	THE INCOME EARNED ON THE FOUNDATION'S ASSETS WILL BE USED
	AS CONTRIBUTIONS TO FURTHER SERVE EDUCATIONAL, CHARITABLE,
	CULTURAL AND RELIGIOUS PURPOSES; SPECIFICALLY GIVEN TO
	QUALIFYING PUBLIC CHARITIES UNDER SECTION 501(C)(3).
8	SAME AS LINE 4

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
	N/A		N/A

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Signature of officer or trustee | 5-3-13 Date | DIRECTOR Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
RONALD K. JESTER	RONALD K. JESTER	4/29/13		P00412759

Firm's name ▶ LABENZ & ASSOCIATES LLC | Firm's EIN ▶ 47-0814192

Firm's address ▶ 4535 NORMAL BLVD., SUITE 195
LINCOLN, NE 68506 | Phone no. 402-437-8383

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

OMB No 1545-0047

2012

Name of the organization
THE CHESTERMAN FAMILY FOUNDATION

Employer identification number
91-2086157

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year . . . . ▶ $_____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization THE CHESTERMAN FAMILY FOUNDATION

Employer identification number 91-2086157

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CHESTERMAN COMPANY 4700 SOUTH LEWIS BLVD, PO BOX 3657 SIOUX CITY, IA 51106	$ 500,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization THE CHESTERMAN FAMILY FOUNDATION

Employer identification number 91-2086157

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
----		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
----		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
----		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
----		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
----		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
----		$	

Name of organization THE CHESTERMAN FAMILY FOUNDATION	Employer identification number 91-2086157

Part III *Exclusively* **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year.** Complete columns **(a)** through **(e)** and the following line entry.

For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ $

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

2012 Tax Information Statement

Account Number:
Recipient's Tax ID Number: XX-XXX6157
Payer's Federal ID Number: 42-0943319
Payer's State ID Number:
State: IA
Questions? (712)277-6586
☐ **Corrected** ☐ **2nd TIN notice**

Recipient's Name and Address:
CHESTERMAN FAMILY FOUNDATION
% CY W CHESTERMAN
PO BOX 3657
SIOUX CITY, IA 51102

Payer's Name and Address:
THE SECURITY NATIONAL BANK OF SIOUX CITY
601 PIERCE ST
SIOUX CITY, IA 51101

For noncovered securities (Box 6a is checked) shown on this statement, cost basis information including wash sale disallowed loss is not being reported to the IRS.

Cusip Quantity Sold (Box 1e)	Description (Box 8) Date of Sale or Exchange (Box 1a)	Date of Acquisition	Stock or Other Symbol (Box 1d) Stocks, Bonds, etc. (Box 2a)	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld (Box 4)	State Tax Withheld (Box 15)
26203E844	DREYFUS/STANDISH GLOBAL FIXED INC FD		SDGIX					
456.8300	08/28/2012	04/08/2011	10,009.14	9,547.75	0.00	461.39	0.00	0.00
81369Y605	FINANCIAL SELECT SECTOR SPDR		XLF					
320.0000	12/14/2012		5,106.82	4,915.96	0.00	190.86	0.00	0.00
337738108	FISERV INC		FISV					
40.0000	11/01/2012		3,018.73	1,950.85	0.00	1,067.88	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
392.1900	02/25/2012	11/18/2004	392.19	399.30	0.00	-7.11	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
365.3300	03/25/2012	11/18/2004	365.33	371.95	0.00	-6.62	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
316.3400	04/25/2012	11/18/2004	316.34	322.07	0.00	-5.73	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
351.6400	05/25/2012	11/18/2004	351.64	358.01	0.00	-6.37	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
306.9700	06/25/2012	11/18/2004	306.97	312.53	0.00	-5.56	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
345.5600	07/25/2012	11/18/2004	345.56	351.82	0.00	-6.26	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
316 1300	08/25/2012	11/18/2004	316.13	321.86	0.00	-5.73	0.00	0.00

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. For noncovered securities shown on this statement, cost basis information including wash sale disallowed loss is not being reported to the Internal

2012 Tax Information Statement

Payer's Name and Address:
THE SECURITY NATIONAL BANK OF SIOUX CITY
601 PIERCE ST
SIOUX CITY, IA 51101

Account Number:
Recipient's Tax ID Number: XX-XXX6157
Payer's Federal ID Number: 42-0943319
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State: IA
Questions? (712)277-6586
☐ **Corrected** ☐ **2nd TIN notice**

Recipient's Name and Address:
CHESTERMAN FAMILY FOUNDATION
% CY W CHESTERMAN
PO BOX 3657
SIOUX CITY, IA 51102

For noncovered securities (Box 6a is checked) shown on this statement, cost basis information including wash sale disallowed loss is not being reported to the IRS.

Cusip	Description (Box 8)		Stock or Other Symbol (Box 1d)					
Quantity Sold	Date of Sale or Exchange	Date of Acquisition	Stocks Bonds, etc.	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
(Box 1e)	(Box 1a)		(Box 2a)				(Box 4)	(Box 15)
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
304.7900	09/25/2012	11/18/2004	304.79	310.31	0.00	-5.52	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
305.4600	10/25/2012	11/18/2004	305.46	311.00	0.00	-5.54	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
308.3000	11/25/2012	11/18/2004	308.30	313.89	0.00	-5.59	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
293.8900	12/25/2012	11/18/2004	293.89	299.22	0.00	-5.33	0.00	0.00
31371LRL5	FNMA POOL #255291 4.50000% 6/01/14		255291A					
289 0800	12/31/2012	11/18/2004	289.08	294.32	0.00	-5.24	0.00	0.00
38142Y773	GOLDMAN SACHS LRG CAP VAL FD-I		GSLIX					
640 0000	08/28/2012	10/16/2009	7,859.20	6,777.60	0.00	1,081.60	0.00	0.00
38141W307	GOLDMAN SACHS SHORT DUR GOVT FD-IN		GSTGX					
5830.9040	08/28/2012		60,000.00	59,727.38	0.00	272.62	0.00	0.00
437076102	HOME DEPOT INC		HD					
50.0000	11/01/2012		3,103.42	1,510.24	0.00	1,593.20	0.00	0.00
464287556	ISHARES NASDAQ BIOTECH INDEX		IBB					
10 0000	11/01/2012	06/16/2010	1,347.96	828.10	0.00	519.86	0.00	0.00
579780206	MCCORMICK & CO INC		MKC					
20 0000	11/01/2012	06/16/2010	1,229.97	799.80	0.00	430.17	0.00	0.00

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. For noncovered securities shown on this statement, cost basis information including wash sale disallowed loss is not being reported to the Internal Revenue Service. The taxpayer is ultimately responsible for the accuracy of

2012 Tax Information Statement

Account Number:
Recipient's Tax ID Number: XX-XXX6157
Payer's Federal ID Number: 42-0943319
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CHESTERMAN FAMILY FOUNDATION
% CY W CHESTERMAN
PO BOX 3657
SIOUX CITY, IA 51102

Payer's Name and Address:
THE SECURITY NATIONAL BANK OF SIOUX CITY
601 PIERCE ST
SIOUX CITY, IA 51101

For noncovered securities (Box 6a is checked) shown on this statement, cost basis information including wash sale disallowed loss is not being reported to the IRS.

Cusip Quantity Sold	Description *(Box 8)* Date of Sale or Exchange	Date of Acquisition	Stock or Other Symbol *(Box 1d)* Stocks Bonds, etc.	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
(Box 1e)	*(Box 1a)*		*(Box 2a)*				*(Box 4)*	*(Box 15)*
579780206	MCCORMICK & CO INC		MKC					
55.0000	12/14/2012		3,542.29	2,189.33	0.00	1,352.96	0.00	0.00
580135101	MCDONALDS CORP		MCD					
30.0000	03/21/2012		2,921.04	2,104.34	0.00	816.70	0.00	0.00
693390882	PIMCO FOREIGN BOND FUND		PFORX					
900.0900	08/28/2012	04/08/2011	10,000.00	9,333.93	0.00	666.07	0.00	0.00
931142103	WAL MART STORES INC		WMT					
15.0000	11/01/2012	06/16/2010	1,115.07	768.75	0.00	346.32	0.00	0.00
Total Long Term 15% Sales Reported on 1099-B Report on Form 8949, Part II, with Box B checked			**144,327.01**	**127,728.39**	**0.00**	**16,598.64**	**0.00**	**0.00**

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. For noncovered securities shown on this statement, cost basis information including wash sale disallowed loss is not being reported to the Internal

ATTACHMENT 1

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
DIVIDENDS AND INTEREST	42,535.	42,535.
TOTAL	42,535.	42,535.

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
NONTAXABLE DISTRIBUTIONS		874.	874.
	TOTALS	874.	874.

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEES	1,550.	1,550.		
TOTALS	1,550.	1,550.		

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT MANAGEMENT FEES	12,724.	12,724.
TOTALS	12,724.	12,724.

ATTACHMENT 5

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES PAID	506.	506.
PRIOR YEAR BALANCE DUE	629.	
ESTIMATED TAX EXPENSE	680.	
TOTALS	1,815.	506.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT EXPENSES	23.	23.
TOTALS	23.	23.

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

ATTACHMENT 7

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
U.S. OBLIGATIONS	248,400.	254,399.
US OBLIGATIONS TOTAL	248,400.	254,399.

ATTACHMENT 8

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
COMMON STOCK	383,809.	440,821.
MUTUAL FUNDS	588,085.	688,291.
CORPORATE SECURITIES	138,818.	144,644.
TOTALS	1,110,712.	1,273,756.

ATTACHMENT 9

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
CERTIFICATES OF DEPOSIT	71,467.	71,515.
TOTALS	71,467.	71,515.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 10

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MORNINGSIDE COLLEGE 1501 MORNINGSIDE AVE SIOUX CITY, IA 51106	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	10,000.
GIRLS CLUB OF SIOUX CITY - (GIRLS INC) 723 MYRTLE STREET SIOUX CITY, IA 51103	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	10,000.
BRIAR CLIFF UNIVERSITY 3303 REBECCA STREET SIOUX CITY, IA 51104	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	7,000.
WESTERN IOWA TECH COMMUNITY COLLEGE 4647 STONE AVENUE SIOUX CITY, IA 51106	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	5,000.
SIOUXLAND COMMUNITY FOUNDATION 505 FIFTH STREET, SUITE 412 SIOUX CITY, IA 51101	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	500.
CAMP HIGH HOPES 5804 CORRECTIONVILLE ROAD SIOUX CITY, IA 51106	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	5,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 10 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE GOSPEL MISSION 500 BLUFF STREET SIOUX CITY, IA 51103	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	10,000.
SIOUX CITY PUBLIC MUSEUM FOUNDATION PO BOX 297 SIOUX CITY, IA 51102	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	10,000.
SIOUXLAND Y (NORM WAITT SR YMCA) 601 RIVERVIEW DRIVE SOUTH SIOUX CITY, NE 68776	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	10,000.
FOOD BANK OF SIOUXLAND INC PO BOX 985 SIOUX CITY, IA 51102	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	500.
SIOUXLAND COMMUNITY SOUP KITCHEN 703 W 5TH ST SIOUX CITY, IA 51103	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	500.
NEW PERSPECTIVES INC 300 S MARTHA PO BOX 3264 SIOUX CITY, IA 51102	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	500.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 10 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SIOUX CITY PUBLIC SCHOOL FOUNDATION 505 5TH STREET SUITE 412 SIOUX CITY, IA 51101	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	15,000.
PLANNED PARENTHOOD OF THE HEARTLAND PO BOX 4557 DES MOINES, IA 50305	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	500.
BIG SPLASH INC PO BOX 2693 SIOUX CITY, IA 51106	NONE 501(C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	1,000.
SPECIAL TROOPERS ADAPTIVE RIDING SCHOOL INC(STARS) 33148 K-22 SIOUX CITY, IA 51108	NONE 501 (C)(3)	TO FURTHER PROGRAMS OF THE ORGANIZATION	500.
		TOTAL CONTRIBUTIONS PAID	86,000.

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 11

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
NONTAXABLE DISTRIBUTIONS					874.
TOTALS					874.

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T.

▶ Information about Schedule D (Form 1041) and its separate instructions is at *www.irs.gov/form1041.*

OMB No 1545-0092

2012

Name of estate or trust: THE CHESTERMAN FAMILY FOUNDATION

Employer identification number: 91-2086157

Note: *Form 5227 filers need to complete only Parts I and II.*

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b	Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	2,476.
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet	4	( )
5	**Net short-term gain or (loss).** Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ▶	5	2,476.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b	Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	22,801.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9	Capital gain distributions	9	2,205.
10	Gain from Form 4797, Part I	10	
11	Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet	11	( )
12	**Net long-term gain or (loss).** Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ▶	12	25,006.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Part III **Summary of Parts I and II** *Caution: Read the instructions before completing this part.*		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
13 **Net short-term gain or (loss)**	13			2,476.
14 **Net long-term gain or (loss):**				
a Total for year	14a			25,006.
b Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b			4.
c 28% rate gain	14c			
15 **Total net gain or (loss).** Combine lines 13 and 14a ▶	15			27,482.

Note: *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.*

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of:
a The loss on line 15, column (3) or **b** $3,000 . . . . 16 ( )

Note: *If the loss on line 15, column (3), is more than $3,000, **or** if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.*

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero.

Caution: *Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:*

- *Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or*
- *Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.*

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the **smaller** of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- ▶	21	
22	Subtract line 21 from line 20. If zero or less, enter -0-	22	
23	Subtract line 22 from line 17. If zero or less, enter -0-	23	
24	Enter the **smaller** of the amount on line 17 or $2,400	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? ☐ **Yes.** Skip lines 25 and 26; go to line 27 and check the "No" box. ☐ **No.** Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Are the amounts on lines 22 and 26 the same? ☐ **Yes.** Skip lines 27 thru 30; go to line 31 ☐ **No.** Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (.15)	30	
31	Figure the tax on the amount on line 23. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33	
34	**Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34	

SCHEDULE D-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.
▶ Information about Schedule D (Form 1041) and its separate instructions is at *www.irs.gov/form1041*.

OMB No 1545-0092

2012

Name of estate or trust
THE CHESTERMAN FAMILY FOUNDATION

Employer identification number
91-2086157

Part I **Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 sh. 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a VARIOUS SHORT TERM - SEE DETAIL	07/01/2012	12/31/2012	9,620.	9,461.	159.
VARIOUS SHORT TERM - SEE DETAIL	07/01/2012	12/31/2012	22,806.	20,489.	2,317.

1b **Total.** Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . 2,476.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. **Schedule D-1 (Form 1041) 2012**

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2F1221 2 000

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side	Employer identification number

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo., day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a VARIOUS LONG TERM - SEE DETAIL	07/01/2011	12/31/2012	25,371.	19,169.	6,202.
VARIOUS LONG TERM - SEE DETAIL	07/01/2011	12/31/2012	144,327.	127,728.	16,599.

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b . . . . 22,801.

Schedule D-1 (Form 1041) 2012

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FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					2,205.	
		VARIOUS SHORT TERM - SEE DETAIL PROPERTY TYPE: SECURITIES				P	07/01/2012	12/31/2012
9,620.		9,461.					159.	
		VARIOUS LONG TERM - SEE DETAIL PROPERTY TYPE: SECURITIES				P	07/01/2011	12/31/2012
25,371.		19,169.					6,202.	
		VARIOUS SHORT TERM - SEE DETAIL PROPERTY TYPE: SECURITIES				P	07/01/2012	12/31/2012
22,806.		20,489.					2,317.	
		VARIOUS LONG TERM - SEE DETAIL PROPERTY TYPE: SECURITIES				P	07/01/2011	12/31/2012
144,327.		127,728.					16,599.	
TOTAL GAIN(LOSS)							27,482.	

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