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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

, 2012, and ending

, 20

Name of foundation Alexander C. Waterhouse, Sr. Foundation		A Employer identification number 99-0263686
Number and street (or P O box number if mail is not delivered to street address) 670 Queen St, #200	Room/suite	B Telephone number (see instructions) 808-592-4800
City or town, state, and ZIP code Honolulu, HI 96813		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) \$ 257,058	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <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 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	17,196	17,196		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	25,069			
	b Gross sales price for all assets on line 6a 398,098				
	7 Capital gain net income (from Part IV, line 2)		25,069		
	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) Sch. 1	(2,189)	34			
12 Total. Add lines 1 through 11	40,076	42,299			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) Sch. 2	262			
	c Other professional fees (attach schedule) Sch. 2	7752	7752		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) Sch. 2	1102	638		5
	24 Total operating and administrative expenses. Add lines 13 through 23	9116	8390		5
	25 Contributions, gifts, grants paid	13,050			13,050
26 Total expenses and disbursements. Add lines 24 and 25	22,166	8390		13,055	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	17,910				
b Net investment income (if negative, enter -0-)		33,909			
c Adjusted net income (if negative, enter -0-)					

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 11289X

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	740	3997	3997
	2	Savings and temporary cash investments	5094	312	312
	3	Accounts receivable ▶ 1675			
		Less: allowance for doubtful accounts ▶	1178	1675	1675
	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			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule) . Sch 3 .	272182	251120	251074
	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)				
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)	239194	257104	257058	
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)			
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ <input checked="" 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	239194	257104	
	30	Total net assets or fund balances (see instructions)	239194	257104	
31	Total liabilities and net assets/fund balances (see instructions)	239194	257104		

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	239194
2	Enter amount from Part I, line 27a	2	17910
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	257104
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	257104

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 Publicly traded securities - See Sch 4	P	Various	Various
b Short term cap gain from partn - Pro Shares	P	Various	Various
c Long term cap gain dividends	P	Various	Various
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 396,020		373,029	22,991
b 1,534			1,534
c 544			544
d			
e			

(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	25,069
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	

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	10681	295,548	.0361
2010	15519	292,884	.0530
2009	19531	251,511	.0777
2008	18451	374,624	.0493
2007	17905	392,056	.0457

2 Total of line 1, column (d)	2	.2618
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	.0524
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	276,286
5 Multiply line 4 by line 3	5	14,477
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	339
7 Add lines 5 and 6	7	14,816
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	13,055

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	678
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	678
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	678
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	418
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	300
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	718
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	40
11	Enter the amount of line 10 to be: Credited to 2013 estimated tax ▶ 40 Refunded ▶	11	

Part VII-A Statements Regarding Activities

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?	Yes	No
1a			X
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>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.</i>		X
1b			
c	Did the foundation file Form 1120-POL for this year?		X
1c			
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ 0 (2) On foundation managers. ▶ \$ 0		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ 0		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	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? <i>If "Yes," attach a conformed copy of the changes</i>	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	X
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	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? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	7	X
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>Hawaii</u>		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>	9	X
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	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 ► NA	13	X	
14	The books are in care of ► Waterhouse, Inc. Located at ► 670 Queen St., #200, Honolulu, HI Telephone no. ► 808-592-4800 ZIP+4 ► 96813			
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			
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)? NA	1b	
Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>		
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20 , 20 , 20 , 20		
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.) NA	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 , 20 , 20 , 20		
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.) NA	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)

- 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)? ☒ NA ☐ No
- Organizations relying on a current notice regarding disaster assistance check here ☐ NA ☐ No
- 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? ☒ NA ☐ 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? ☐ Yes ☒ No
- 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? ☒ NA ☐ Yes ☐ No

5b

6b

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
See Attached Schedule 5		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 NA	
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 NA	
2	
All other program-related investments. See instructions	
3 NA	
Total. Add lines 1 through 3	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:	
a	Average monthly fair market value of securities	1a 256,070
b	Average of monthly cash balances	1b 22,996
c	Fair market value of all other assets (see instructions)	1c 1,427
d	Total (add lines 1a, b, and c)	1d 280,493
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	3 280,493
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4 4,207
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5 276,286
6	Minimum investment return. Enter 5% of line 5	6 13,814

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 13,814
2a	Tax on investment income for 2012 from Part VI, line 5	2a 678
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 678
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 13,136
4	Recoveries of amounts treated as qualifying distributions	4
5	Add lines 3 and 4	5 13,136
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 13,136

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 13,055
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 13,055
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
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 13,055

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				13,136
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			13,006	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ <u>13,055</u>				
a Applied to 2011, but not more than line 2a			13,006	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2012 distributable amount				49
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				13,087
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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 **NA**

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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 $\frac{2}{3}$ 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).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed:

Alexander C. Waterhouse, Sr. Foundation, 670 Queen St, #200, Honolulu, HI 96813

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

Letter Format - See Attached Schedule 6

c Any submission deadlines:

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors: NONE

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					
See Attached Schedule 7					13,050
Total				3a	13,050
b Approved for future payment					
Total				3b	0

Enter gross amounts unless otherwise indicated.

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

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.)
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[illegible]

Alexander C. Waterhouse, Sr. Foundation
Schedule to Tax Return - Form 990-PF
Year - 12/31/12

99-0263686

	(a) Revenue & Expenses per Books	(b) Net Investment Income	(d) Disbursement for Charitable Purposes
Schedule 1 - Other Income			
Form 990-PF - Part I			
Line 11 - Other Income			
Miscellaneous	28	28	
Partnership Loss	(2,223)		
Sec 1231 gain	6	6	
	<u>(2,189)</u>	<u>34</u>	
Schedule 2 - Operating and Administrative Expenses			
Form 990-PF - Part 1			
Line 16b - Accounting Fees			
Ikeda & Wong, CPA	<u>262</u>		
Line 16c - Other Professional Fees			
Investment Management Services			
Newport Coast	<u>7,752</u>	<u>7,752</u>	
Line 23 - Other Expenses			
Insurance	340		
Investment fees	638	638	
Office expense	45		
DCCA Filing Fee	5		5
Miscellaneous	74		
	<u>1,102</u>	<u>638</u>	<u>5</u>

Alexander C. Waterhouse, Sr. Foundation
 EIN: 99-0263686
 Schedule to Form 990-PF
 Year - 12/31/12

Schedule 3 - Investments - Corporate Stocks
 Part II, Line 10b

Number of Shares	Company	End of Year	
		(b)Book Value	(c)Fair Market Value
24	Johnson & Johnson	1,544.75	1,682.40
123	Johnson & Johnson	8,310.98	8,622.30
238	Merck & Co Inc	9,857.76	9,743.72
4	Google Inc Cl A	3,063.31	3,123.86
7	Google Inc Cl A	4,793.35	4,951.66
85	McDonalds Corp	7,977.24	7,497.85
15	McDonalds Corp	1,297.17	1,323.15
195	Seadrill Limited SHS	8,000.00	7,179.31
455	AT&T Inc com	15,446.95	15,338.05
200	Express Scripts Inc Cl A	10,781.97	10,800.00
500	General Elec Co	10,578.56	10,495.00
150	Wal Mart Stores Inc	10,642.42	10,234.50
31	SPDR Cold Shares	5,000.00	5,000.36
104	Proshares Ultra Silver	5,888.00	4,586.40
291	Linn Energy LLC Unit Ltd Liab	8,818.00	10,248.35
205	Tortoise MLP FD Inc Com	4,853.44	5,013.66
5392	AGIC Convertible & Income Fund I	34,568.98	46,861.51
246	Hospitality PPTYS Tr Sh Ben Int	6,168.83	5,767.79
250	Ishares Iboxx \$ High Yield Corp	22,428.46	23,356.04
3338	Pimco High Income FD SHS	45,503.39	34,985.23
1250	Pimco Corporate & Income	25,596.25	24,262.50
		251,119.81	251,073.64

Schedule 4 - Capital Gains and Losses

Form 990-PF, Part IV - Capital Gains and Losses for Tax on Investment Income

(a) Description of Property	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Sale Price	(g) Cost of Basis	(h) Gain or (Loss)
153 sh Bristol Myers	P	12/16/11	01/13/12	\$5,172.86	\$5,235.00	(\$62.14)
9 sh Google Inc	P	12/05/11	01/20/12	\$5,005.54	\$5,346.79	(\$341.25)
203 sh Sempra Energy	P	12/12/11	02/08/12	\$11,836.28	\$10,596.00	\$1,240.28
46 sh ETFS Gold Tr Shs	P	11/28/11	02/09/12	\$7,837.54	\$7,788.58	\$48.96
113 Southern Copper Corp	P	01/18/12	02/10/12	\$3,792.98	\$4,000.00	(\$207.02)
54 Molycorp Inc	P	01/19/12	02/07/12	\$1,506.81	\$1,600.00	(\$93.19)
77 sh Conocophillips	P	12/19/11	03/13/12	\$5,850.98	\$5,231.00	\$619.98
35 sh JP Morgan Chase	P	01/12/12	03/13/12	\$1,445.31	\$1,287.75	\$157.56
34 sh SPDR Gold Trust	P	12/14/11	03/13/12	\$5,590.33	\$5,219.00	\$371.33
468 sh General Elec Co	P	various	03/06/12	\$8,608.17	\$8,900.00	(\$291.83)
280 sh Barclays Bk lpath	P	03/19/12	03/23/12	\$4,887.31	\$5,663.28	(\$775.97)
193 sh Windstream Corp	P	02/08/12	03/02/12	\$2,324.96	\$2,400.00	(\$75.04)
322 sh Kellogg Co	P	12/02/11	04/27/12	\$16,194.43	\$15,952.89	\$241.54
1,748 sh Medical PPTYS Trust	P	various	04/05/12	\$15,644.25	\$17,184.11	(\$1,539.86)
28 sh Seagate Tech	P	03/02/12	04/09/12	\$741.39	\$770.70	(\$29.31)
85 sh Altria Group	P	03/18/10	05/17/12	\$2,716.54	\$1,739.70	\$976.84
34 sh Altria Group	P	03/18/10	05/30/12	\$1,086.07	\$693.92	\$392.15
10 sh Altria Group	P	03/18/10	05/31/12	\$318.99	\$203.11	\$115.88
58 sh Tortoise MLP FD	P	12/27/11	05/17/12	\$1,452.88	\$1,467.67	(\$14.79)
83 sh Linn Energy LLC	P	02/21/12	05/17/12	\$3,047.69	\$3,421.15	(\$373.46)
161 sh Genesis Energy	P	12/05/11	05/17/12	\$4,723.78	\$4,178.68	\$545.10
34 sh Energy Trans Prtnr	P	05/01/12	05/17/12	\$1,507.15	\$1,678.01	(\$170.86)
23 sh Tortoise MLP FD	P	12/27/11	05/30/12	\$563.91	\$633.82	(\$69.91)
33 sh Linn Energy LLC	P	02/21/12	05/30/12	\$1,170.16	\$1,261.75	(\$91.59)
64 sh Genesis Energy	P	Various	05/30/12	\$1,852.01	\$1,655.77	\$196.24
13 sh Energy Trans Prtnr	P	05/01/12	05/30/12	\$562.06	\$649.09	(\$87.03)
7 sh Tortoise MLP FD	P	12/27/11	05/31/12	\$169.00	\$172.58	(\$3.58)
10 sh Linn Energy LLC	P	03/09/12	05/31/12	\$348.99	\$378.13	(\$29.14)
19 sh Genesis Energy	P	05/03/11	05/31/12	\$539.99	\$487.25	\$52.74
4 sh Energy Trans Prtnr	P	05/01/12	05/31/12	\$168.00	\$193.59	(\$25.59)
15 sh Celgene Corp	P	04/25/12	05/17/12	\$1,023.26	\$1,142.73	(\$119.47)
6 sh Johnson and Johnson	P	10/12/11	05/17/12	\$404.57	\$406.94	(\$2.37)
3 sh Johnson and Johnson	P	10/12/11	05/30/12	\$182.50	\$193.09	(\$10.59)
349 sh Medical PPTYS Trust	P	08/21/09	05/17/12	\$3,183.14	\$3,173.96	\$9.18
140 sh Hospitality PPTYS Tr	P	02/08/12	05/17/12	\$3,446.76	\$3,694.14	(\$247.38)
1,545 sh AGIC Convertible Fund	P	Various	05/17/12	\$13,333.20	\$12,769.02	\$564.18
140 sh Medical PPTYS Trust	P	08/21/09	05/30/12	\$1,244.83	\$1,014.10	\$230.73
56 sh Hospitality PPTYS Tr	P	02/08/12	05/30/12	\$1,328.26	\$1,477.66	(\$149.40)
620 sh AGIC Convertible Fund	P	Various	05/30/12	\$5,365.19	\$4,417.10	\$948.09
41 sh Medical PPTYS Trust	P	08/21/09	05/31/12	\$361.99	\$298.31	\$63.68
17 sh Hospitality PPTYS Tr	P	02/08/12	05/31/12	\$389.99	\$441.28	(\$51.29)
182 sh AGIC Convertible Fund	P	06/19/09	05/31/12	\$1,577.98	\$1,246.85	\$331.13
78 sh EBAY Inc	P	04/27/12	05/17/12	\$3,124.01	\$3,233.83	(\$109.82)
16 sh Seagate Tech	P	03/02/12	05/17/12	\$473.44	\$442.64	\$30.80
31 sh EBAY Inc	P	04/27/12	05/30/12	\$1,227.65	\$1,277.55	(\$49.90)
7 sh Seagate Tech	P	03/02/12	05/30/12	\$168.60	\$192.68	(\$24.08)
9 sh EBAY Inc	P	04/27/12	05/31/12	\$361.99	\$381.19	(\$19.20)

Schedule 4 - Capital Gains and Losses

Form 990-PF, Part IV - Capital Gains and Losses for Tax on Investment Income

(a) Description of Property	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Sale Price	(g) Cost of Basis	(h) Gain or (Loss)
2 sh Seagate Tech	P	03/02/12	05/31/12	\$46.00	\$54.79	(\$8.79)
252 sh AT&T Inc	P	Various	05/17/12	\$8,440.23	\$6,609.59	\$1,830.64
45 sh Verizon Comm	P	03/09/12	05/17/12	\$1,852.67	\$1,758.77	\$93.90
101 sh AT&T Inc	P	04/14/12	05/30/12	\$3,435.03	\$2,571.07	\$863.96
18 sh Verizon Comm	P	03/09/12	05/30/12	\$740.69	\$701.45	\$39.24
29 sh AT&T Inc	P	06/14/12	05/31/12	\$1,000.98	\$749.35	\$251.63
5 sh Verizon Comm	P	03/09/12	05/31/12	\$223.00	\$210.93	\$12.07
23 sh Ishares Tr High	P	04/22/10	05/17/12	\$2,037.70	\$2,058.87	(\$21.17)
116 sh Powershares Glob	P	04/23/10	05/17/12	\$2,150.12	\$2,101.22	\$48.90
9 sh Ishares Tr High	P	04/24/10	05/30/12	\$793.43	\$802.79	(\$9.36)
46 sh Powershares Glob	P	04/25/10	05/30/12	\$845.19	\$831.85	\$13.34
3 sh Ishares Tr High	P	04/26/10	05/31/12	\$246.99	\$249.88	(\$2.89)
14 sh Powershares Glob	P	04/27/10	05/31/12	\$249.99	\$245.90	\$4.09
535 sh Genesis Energy	P	Various	06/04/12	\$14,967.00	\$13,537.39	\$1,429.61
56 sh Cellegene Corp	P	04/25/12	06/04/12	\$3,641.08	\$4,387.27	(\$746.19)
1,219 sh Medical PPTYS Tr	P	various	06/19/12	\$11,066.72	\$6,038.04	\$5,028.68
141 sh Powershares Glob	P	05/21/12	06/06/12	\$5,374.10	\$5,361.94	\$12.16
59 sh Seagate Tech	P	03/02/12	06/01/12	\$1,248.49	\$1,569.19	(\$320.70)
297 sh Altria Group	P	03/18/10	08/08/12	\$10,393.67	\$6,063.27	\$4,330.40
273 sh EBAY Inc	P	04/27/12	08/24/12	\$12,890.69	\$11,240.43	\$1,650.26
1,211 sh Powershares Glob	P	various	08/17/12	\$22,925.00	\$22,298.01	\$626.99
267 sh Amgen Inc	P	07/06/12	09/14/12	\$21,870.38	\$19,751.99	\$2,118.39
300 sh Abercrombie & Fitch	P	09/14/12	10/17/12	\$9,743.79	\$11,807.17	(\$2,063.38)
256 sh Abercrombie & Fitch	P	09/14/12	10/23/12	\$7,932.04	\$10,086.34	(\$2,154.30)
225 sh Energy Trans Prtnr	P	various	10/23/12	\$9,489.13	\$10,599.24	(\$1,110.11)
109 sh American Int Group	P	10/17/12	10/23/12	\$3,788.06	\$4,000.00	(\$211.94)
105 sh Proshares Ultra Silver	P	08/27/12	various	\$5,731.36	\$6,131.34	(\$399.98)
68 sh Fidelity Select	P	10/17/12	10/23/12	\$7,488.71	\$7,999.95	(\$511.24)
881 sh AT&T Inc	P	06/14/10	10/12/12	\$31,403.00	\$22,403.23	\$8,999.77
160 sh Verizon Comm	P	06/14/10	10/12/12	\$7,135.10	\$6,102.24	\$1,032.86
1 sh AT&T Inc	P	06/14/10	10/15/12	\$19.76	\$14.24	\$5.52
1 sh Verizon Comm	P	10/12/11	10/15/12	\$26.08	\$21.56	\$4.52
237 sh Merck & Co Inc	P	07/06/12	11/12/12	\$10,420.76	\$9,816.34	\$604.42
147 sh Johnson & Johnson	P	07/06/12	11/12/12	\$10,211.94	\$9,932.63	\$279.31
10 sh Google Inc	P	09/12/12	11/12/12	\$6,652.80	\$6,936.69	(\$283.89)
246 sh Hospitality PPTYS	P	02/08/12	12/06/12	\$5,656.38	\$6,191.72	(\$535.34)
0 sh ETFS Gold Tr Share	P	Various	various	\$5.81	\$0.00	\$5.81
0 sh SPDR Gold Shares	P	Various	various	\$11.92	\$0.00	\$11.92
				\$396,019.51	\$373,029.07	\$22,990.44

Alexander C. Waterhouse, Sr. Foundation
EIN: 99-0263686
Attachment to Form 990-PF
Year - 12/31/12

SCHEDULE 5 - OFFICERS AND DIRECTORS
Form 990-PF, Pg 6, Part VIII - Officers and Directors

(a) NAME & ADDRESS	(b) TITLE/HOURS	(c) COMPENSATION	(d) EMPLOYEE BENEFITS	(e) EXPENSE ACCOUNT
Stanley Y. Mukai 729 Elepaio Street Honolulu, HI 96816	President Secretary <u>Director</u> Part-Time	0	0	0
Edwin Kobashigawa 60 N. Beretania Street #904 Honolulu, HI 96817	Vice President <u>Treasurer</u> Part-Time	0	0	0
Gilbert J. Matsumoto 1060 Young St. #301 Honolulu, HI 96814	<u>Director</u> Part-Time	0	0	0
Total		0	0	0

Alexander C. Waterhouse, Sr. Foundation
99-0263686
Form 990-PF
Year – Dec 31, 2012

SCHEDULE 6

Part XV, Line 2b, Supplementary Information

The following procedures will be followed in determining which organizations will receive grants from the Foundation.

- I. Only those organizations described under IRC §509(a)(1), (2) or (3) will be allowed to apply for grant monies.
 - A. To substantiate such status, a copy of their ruling or determination letter will be required upon submission of their application for funds.
- II. During the review process the organization requesting funds will be checked against the most current Cumulative List of Organizations (described in Section 170(c) of the Internal Revenue Code of 1986) as published by the Department of Treasury. A check will also be made by review of published Internal Revenue Bulletins to ensure that the organization's exempt status has not been revoked.
- III. Upon approval of the grant, the grantee organization will be issued a letter setting out the terms of such grant.
- IV. The Foundation will not earmark any grants to any secondary grantee as described under IRC Reg. §53.4945-5(a)(6).

Alexander C. Waterhouse, Sr. Foundation
EIN: 99-0263686
Schedule to Form 990-PF
Year - 12/31/12

Schedule 7 - Grants and Contributions Paid During the Year.
Part XV, Line 3a - Grants and Contributions.

<u>Recipient's Name and Address</u>	<u>Relationship to Foundation Manager</u>	<u>Foundation Status of Recipient</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
St. Anthony School 640 Puuhale Road Honolulu, HI 96819	N/A	501 (c) (3)	Educational	3,000
Iolani School 563 Kamoku St. Honolulu, HI 96826	N/A	501 (c) (3)	Educational	1,000
Girl Scouts of Hawaii 401 Atkinson Dr. #2E1 Honolulu, HI 96814	N/A	501 (c) (3)	Educational and leardership programs	2,000
Palama Settlement 810 N. Vineyard Blvd Honolulu, HI 96817	N/A	501 (c) (3)	Provide programs and services for underprivileged youth and adults	50
New Mexico Military Institute 101 West College Blvd Roswell, New Mexico 88201	N/A	501 (c) (3)	Educational	2,000
Child and Family Service 91-1841 Fort Weavers Rd Ewa Beach, HI 96707	N/A	501 (c) (3)	Provide programs and services for families and children	500
Waialae Baptist Church 1047 21st Avenue Honolulu, HI 96816	N/A	501 (c) (3)	Religious education	2,000
East West Center Foundation 1601 East West Center Road Honolulu, HI 96822	N/A	501 (c) (3)	Education, research, and exchange programs	2,000
St. Andrews Cathedral 220 Queen Emma St. Honolulu, HI 96813	N/A	501 (c) (3)	Ministry	500

Total

\$ 13,050

Alexander C. Waterhouse, Sr. Foundation		99-0263686	
Schedule to Form 990-PF			
Year - 12/31/12			
Schedule 8 - Partnership Income (Loss)			
Form 990-PF, Part XVI-A - Analysis of Income Producing Activities			
Unrelated Business Income			
Line 11b, Col (b) - Partnership Income (Loss)	Name, ID no.	Energy Transfer Partners, LP	LLC
	Genesis Energy, LP	Partners, LP	LLC
	ID 76-0513049	ID 73-1493906	ID 65-1177591
Organization's Share of Unrelated Business Taxable Income (Loss)			
Gross Income from unrelated trade or business	30,768	2,668	1,176
Deductions related to this income	31,244	2,945	3,105
Net Income (Loss)	-476	-277	-1,929
Adjustment - Carryover of prior year loss	-739		-739
Subtotal -	-1,215	-277	-1,929
Adjustment - Passive Loss Limitation	1,215	277	1,929
Unrelated business taxable income	0	0	0
Schedule 8			