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Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► Do not enter social security numbers on this form as it may be made public.

► Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

For calendar year 2015 or tax year beginning

, 2015, 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 Street, #200		Room/suite	B Telephone number (see instructions) 808-592-4800		
City or town, state or province, country, and ZIP or foreign postal code Honolulu, HI 96813					
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					
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					
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 256,803		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.)			
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 <i>stmt. 1</i>				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a <i>528,953</i>				
	7 Capital gain net income (from Part IV, line 2)				
	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) <i>stmt. 1</i>					
12 Total. Add lines 1 through 11	<i>10706</i>	<i>12,109</i>	<i>71</i>	<i>71</i>	<i>1500</i>
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) <i>stmt. 2</i>				
	c Other professional fees (attach schedule) <i>stmt. 2</i>				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) <i>stmt. 2</i>				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) <i>stmt. 2</i>				
	24 Total operating and administrative expenses.				
Add lines 13 through 23	<i>12,129</i>	<i>8009</i>	<i>71</i>	<i>71</i>	<i>1503</i>
25 Contributions, gifts, grants paid	<i>8780</i>				<i>8780</i>
26 Total expenses and disbursements. Add lines 24 and 25	<i>20,909</i>	<i>8009</i>			<i>10,283</i>
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)					

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
	1 Cash—non-interest-bearing		2797	4027	4027
	2 Savings and temporary cash investments		1398	13,319	13,319
	3 Accounts receivable ►	562			
	Less: allowance for doubtful accounts ►		831	562	562
	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) Stmt 3		268,667	245,436	238,895
	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)		273,693	263,344	256,803
	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)				
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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 ► <input type="checkbox"/> 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				
	30 Total net assets or fund balances (see instructions)		273,693	263,344	
	31 Total liabilities and net assets/fund balances (see instructions)		273,693	263,344	

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	273,693
2 Enter amount from Part I, line 27a	2	(10,203)
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	263,490
5 Decreases not included in line 2 (itemize) ► Adjustment for book/tax income	5	146
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	263,344

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 Stmt 4			P	Various	Various
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 528,953		532,596	(3,643)		
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
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	(3,643)	
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))
2014	16343	312,535	.0523
2013	15,319	285,620	.0536
2012	13,055	276,286	.0473
2011	10,681	293,548	.0361
2010	15,519	292,884	.0530

- 2 Total of line 1, column (d) 2 ,2423
 - 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 ,0485
 - 4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5 4 286,017
 - 5 Multiply line 4 by line 3 5 13,872
 - 6 Enter 1% of net investment income (1% of Part I, line 27b) 6 41
 - 7 Add lines 5 and 6 7 13,913
 - 8 Enter qualifying distributions from Part XII, line 4 8 10,283
- 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)
- 1b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► and enter 1% of Part I, line 27b
- 1c 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-)
- 3 Add lines 1 and 2
- 4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
- 5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-
- 6 Credits/Payments:
- a 2015 estimated tax payments and 2014 overpayment credited to 2015 6a 106
- b Exempt foreign organizations—tax withheld at source 6b
- c Tax paid with application for extension of time to file (Form 8868) 6c 100
- d Backup withholding erroneously withheld 6d
- 7 Total credits and payments. Add lines 6a through 6d 7 206
- 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** 10 127
- 11 Enter the amount of line 10 to be: **Credited to 2016 estimated tax** ► 124 Refunded ► 11

1	82
2	
3	82
4	
5	82

7	206
8	
9	
10	127
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? 1a X
- 1b 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.*
- 1c Did the foundation file **Form 1120-POL** for this year? 1c X
- 1d 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
- 1e 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? 2 X
- If "Yes," attach a detailed description of the activities.*
- 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
- 4b 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? 5 X
- If "Yes," attach the statement required by General Instruction T.*
- 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) ►
- Hawaii**
- 8b 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 2015 or the taxable year beginning in 2015 (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	11	X
12	12	X
13	13	X
14	The books are in care of ► Waterhouse, Inc. Telephone no. ► 808-592-4800 Located at ► 670 Queen St, #200, Honolulu, HI 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	16	X
See the instructions for exceptions and filing requirements for FinCEN Form 114. 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

	Yes	No
1a	During the year did the foundation (either directly or indirectly):	
(1)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	<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	
c	Organizations relying on a current notice regarding disaster assistance check here ►	
1b		
1c	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 2015? ►	
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)): NA	
a	At the end of tax year 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? ► <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	
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____	
2b		
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 2015 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 2015.) ► NA	
3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? ► <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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 2015? ► X	
4b		

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 4945(d)(4)(A)? (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
- 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? 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? 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

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 Statement 5		3,000	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.

Total. Add lines 1 through 3 ► **0**

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	269 222
b	Average of monthly cash balances	1b	20 455
c	Fair market value of all other assets (see instructions)	1c	696
d	Total (add lines 1a, b, and c)	1d	290 373
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	290,373
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	4356
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	286 017
6	Minimum investment return. Enter 5% of line 5	6	14301

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	14301
2a	Tax on investment income for 2015 from Part VI, line 5	2a	82
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	82
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	14219
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	14,219
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	14,219

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	10,283
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:	3a	
a	Suitability test (prior IRS approval required)	3b	
b	Cash distribution test (attach the required schedule)	4	10,283
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	5	
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)	6	10,283
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				14219
2 Undistributed income, if any, as of the end of 2015:				
a Enter amount for 2014 only			10163	
b Total for prior years: 20 20 20		0		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e		0		
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 10283			10163	
a Applied to 2014, but not more than line 2a				
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 2015 distributable amount			120	
e Remaining amount distributed out of corpus	0			0
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			
6 Enter the net total of each column as indicated below:	0	0		
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e Undistributed income for 2014. Subtract line 4a from line 2a. Taxable amount—see instructions		0		
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016		0		14099
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)	0			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

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 Statement 6				8,780
Total			► 3a	8,780
b Approved for future payment				
Total			► 3b	0

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					
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					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a AIG Litigation					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)					10,706
13 Total. Add line 12, columns (b), (d), and (e)					13 10,706
(See worksheet in line 12 instructions to verify calculations.)					

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

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 | | |
| 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. | | |

- 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 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.

**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.

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 <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►		Firm's EIN ►		
	Firm's address ►		Phone no		

Alexander C. Waterhouse, Sr. Foundation
Statements to Tax Return - Form 990-PF
Year 12/31/15

99-0263686

(a) Revenue & Expenses per Books	(b) Net Investment Income	(d) Disbursement for Charitable Purposes
--	---------------------------------	--

Statement 1 - Dividends and Interest from Securities

Form 990-PF - Part I

Line 4 - Dividends and Interest From Securities

Tax exempt interest	2,240	-
Other dividends and interest	12,038	12,038
	<hr/> <u>14,278</u>	<hr/> <u>12,038</u>

Line 11 - Other Income

AIG Litigation proceeds	71	71
	<hr/>	<hr/>

Statement 2 - Operating and Administrative Expenses

Form 990-PF - Part 1

Line 16b - Accounting Fees

Ikeda & Wong, CPA	<hr/> <u>445</u>
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Line 16c - Other Professional Fees

Investment Management Services	
Newport Coast	<hr/> <u>8,009</u>
	<hr/> <u>8,009</u>

Line 18 - Taxes

Form 990-PF Taxes paid	<hr/> <u>300</u>
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Line 23 - Other Expenses

Insurance	266	
Office expense	24	
DCCA Filing Fee	3	3
Miscellaneous	22	
Wire fee	60	
	<hr/> <u>375</u>	<hr/> <u>-</u>
		<hr/> <u>3</u>

Alexander C. Waterhouse, Sr. Foundation
 EIN: 99-0263686
 Statement to Form 990-PF
 Year - 12/31/15

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

Number of Shares	Company	End of Year	
		(b) Book Value	(c) Fair Market Value
1422	Alcoa Inc	12,900.00	14,035.74
151	Bank of Hawaii	10,035.15	9,501.57
61	Costco Whsl Corp	9,797.13	9,851.50
150	CVS Health Corp	14,761.57	14,665.50
132	Facebook Inc	13,508.87	13,815.12
165	First Trust Hong Kong	5,760.00	5,545.58
492	General Electric co	15,000.00	15,324.75
177	Gilead Sciences Inc	12,747.15	17,886.50
23	Alphabet Inc Cap Stk Cl A	14,115.78	18,217.96
500	Kinder Morgan Inc	15,231.95	7,460.00
132	McDonalds Corp	15,000.00	15,547.48
85	Powershares QQQ Trust	9,587.69	9,508.10
316	Utilities Select Sector	14,000.00	13,660.23
1076	Medical PPTYS Trust	14,259.66	12,384.80
6699	Allianzgi Conv & Income FD	43,726.73	37,111.22
0.32192	Pimco High Income	3.91	2.63
1949	Pimco Mun Income	25,000.00	24,376.46
		245,435.59	238,895.14

Statement 4 - Capital Gains and Losses

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

<u>(a) Description of Property</u>	<u>(b) How Acquired</u>	<u>(c) Date Acquired</u>	<u>(d) Date Sold</u>	<u>(e) Sale Price</u>	<u>(g) Cost or Basis</u>	<u>(h) Gain or (Loss)</u>
1,540 sh Allianzgi Conv & Income FD	P	09/25/14	04/13/15	\$13,994.54	\$14,953.25	(\$958.71)
69 sh American Intl Group Inc	P	07/31/15	10/01/15	\$3,896.46	\$4,445.66	(\$549.20)
196 sh Apple Inc	P	various	various	\$24,154.47	\$24,909.94	(\$755.47)
70 sh Avago Technologies Ltd	P	06/22/15	various	\$8,894.18	\$10,000.00	(\$1,105.82)
150 sh Bank of Hawaii Corp	P	06/11/15	10/26/15	\$9,907.89	\$9,964.85	(\$56.96)
316 sh BP PLC	P	various	various	\$10,486.19	\$12,357.45	(\$1,871.26)
129 sh Citigroup Inc	P	07/27/15	10/01/15	\$6,398.29	\$7,485.95	(\$1,087.66)
183 sh Costco Whsl Corp	P	various	various	\$28,009.08	\$24,693.72	\$3,315.36
315 sh CVS Health Corp	P	various	various	\$31,002.26	\$27,000.00	\$4,002.26
120 sh Delta Air Lines	P	10/13/15	10/15/15	\$5,879.54	\$5,756.74	\$122.80
469 sh Energy Transfer Equity	P	10/01/15	10/08/15	\$11,528.55	\$10,237.53	\$1,291.02
1,362 sh Euronav NV Antwerpen Shs	P	06/11/15	various	\$19,696.45	\$20,000.00	(\$303.55)
58 sh Gilead Sciences Inc	P	various	07/27/15	\$6,499.88	\$6,218.59	\$281.29
726 sh Golar LNG Ltd Bermuda	P	various	various	\$29,824.64	\$29,191.00	\$633.64
6 sh Google Inc	P	various	01/05/15	\$3,316.96	\$2,241.99	\$1,074.97
259 sh Hill Rom Hldgs Inc	P	various	various	\$13,307.15	\$14,500.00	(\$1,192.85)
1,808 sh Invesco Pennsylvania Value	P	various	02/26/15	\$23,872.53	\$25,024.56	(\$1,152.03)
184 sh Ishares DJ US Health	P	various	various	\$28,004.86	\$25,000.00	\$3,004.86
19 sh Ishares Nasdaq Biotech	P	10/31/14	04/14/15	\$6,778.89	\$5,638.02	\$1,140.87
325 sh JD Com Inc	P	06/03/15	various	\$10,507.50	\$11,291.17	(\$783.67)
596 sh Kinder Morgan Inc Del Com	P	various	various	\$23,889.02	\$20,994.45	\$2,894.57
579 sh Maxlinear Inc	P	06/22/15	07/10/15	\$6,582.64	\$7,500.00	(\$917.36)
1,076 sh Medical PPTYs Trust	P	various	09/14/15	\$11,939.43	\$15,492.50	(\$3,553.07)
1,851 sh Nuveen Tax Free Adv	P	09/30/14	05/14/15	\$25,002.60	\$24,992.36	\$10.24
65 sh Palo Alto Networks Inc	P	07/14/15	various	\$11,696.72	\$12,000.00	(\$303.28)
1,597 sh Pimco High Income	P	various	11/03/15	\$14,209.09	\$20,356.01	(\$6,146.92)
169 sh Proshares Credit Suisse	P	02/21/14	01/16/15	\$16,465.58	\$14,789.32	\$1,676.26
1,404 sh Sony Corp	P	various	various	\$40,613.46	\$40,705.64	(\$92.18)
1,500 sh Teekay Tankers Ltd	P	various	03/13/15	\$7,909.65	\$8,464.00	(\$554.35)
1,169 sh Tsakos Energy Navigation	P	01/08/15	02/23/15	\$8,755.14	\$9,086.00	(\$330.86)
46 sh Tyler Technologies	P	07/17/15	10/08/15	\$7,423.16	\$6,500.00	\$923.16
363 sh Vanguard Extended Duration	P	various	06/08/15	\$40,494.29	\$46,832.16	(\$6,337.87)
374 sh Yahoo Inc	P	08/18/14	various	\$18,011.51	\$13,972.81	\$4,038.70

\$528,952.60 \$532,595.67 (\$3,643.07)

Alexander C. Waterhouse, Sr. Foundation
EIN: 99-0263686
Attachment to Form 990-PF
Year - 12/31/15

STATEMENT 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 Director _____ Part-Time	0	0	0
Edwin Kobashigawa 60 N. Beretania Street #904 Honolulu, HI 96817	Vice President Treasurer _____ Part-Time	3,000	0	0
Gilbert J. Matsumoto 1060 Young St. #301 Honolulu, HI 96814	Director _____ Part-Time	0	0	0
Total		3,000	0	0

Alexander C. Waterhouse, Sr. Foundation
EIN: 99-0263686
Statement to Form 990-PF
Year - 12/31/15

Statement 6 - 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>
Japanese Womens Society PO Box 3233 Honolulu, HI 96801	N/A	501 (c) (3)	Promoting friendship between the US and Japan through education and service	2,080
June Jones Foundation PO Box 11330 Honolulu, HI 96828	N/A	501 (c) (3)	Improving quality of life for needy families of children with life-threatening illnesses and other charitable causes	500
Hawaii Buddhist Cultural Society 222 Queen Street Honolulu, HI 96813	N/A	501 (c) (3)	Promote educational and charitable programs	1,000
Tzu Chi Foundation USA 1238 Wilhemina Rise Honolulu, HI 96816	N/A	501 (c) (3)	Charity projects, medical mission, education in Chinese history, principles, life education and arts and humanities, promoting culture	500
Lunalilo Home 501 Kekauluohi Street Honolulu, HI 96825	N/A	501 (c) (3)	Provide financial subsidies for Native Hawaiian residents	1,000
Hawaiian International Polo Assoc 900 Fort Street Mall, Suite 1800 Honolulu, HI 96813	N/A	501 (c) (3)	Preserving and perpetuating polo in Hawaii	2,000
Hawaii United Okinawan Assoc 94-587 Ukee Street Waipahu, HI 96797	N/A	501 (c) (3)	Promote, perpetuate and preserve Okinawan culture	1,500
YMCA 1441 Pali Hwy Honolulu, HI 96813	N/A	501 (c) (3)	Putting Christian principles into practice through programs that build healthy spirit, mind and body	200
Total				\$ 8,780