

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

Department of the Treasury  
Internal Revenue Service

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

Open to Public Inspection

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

Name of foundation <b>Aequus Institute</b>		<b>A Employer identification number</b> 52-1620982
Number and street (or P O box number if mail is not delivered to street address) Room/suite		<b>B Telephone number (see instructions)</b> 800-441-1963
P O Box 3485		
City or town, state, and ZIP code Elmira NY 14905		<b>C</b> If exemption application is pending, check here <input type="checkbox"/>
<b>G</b> 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		<b>D</b> 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<b>H</b> 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		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 3,583,748	<b>J</b> Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ <i>(Part I, column (d) must be on cash basis)</i>	
<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>		

<b>Part I Analysis of Revenue and Expenses</b> <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>	<b>1</b> Contributions, gifts, grants, etc., received (attach schedule)	160			
	<b>2</b> Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	<b>3</b> Interest on savings and temporary cash investments	466	466		
	<b>4</b> Dividends and interest from securities	38,017	38,017		
	<b>5 a</b> Gross rents				
	<b>b</b> Net rental income or (loss)				
	<b>6 a</b> Net gain or (loss) from sale of assets not on line 10	225,751			
	<b>b</b> Gross sales price for all assets on line 6a 225,751				
	<b>7</b> Capital gain net income (from Part IV, line 2)		225,751		
	<b>8</b> Net short-term capital gain				
	<b>9</b> Income modifications				
	<b>10 a</b> Gross sales less returns and allowances 118				
<b>b</b> Less Cost of goods sold					
<b>c</b> Gross profit or (loss) (attach schedule)	118				
<b>11</b> Other income (attach schedule)					
<b>12 Total.</b> Add lines 1 through 11	264,512	264,234			
<b>Operating and Administrative Expenses</b>	<b>13</b> Compensation of officers, directors, trustees, etc.	49,000	18,250		30,750
	<b>14</b> Other employee salaries and wages	954,945	13,736		41,209
	<b>15</b> Pension plans, employee benefits	5,582	1,396		4,183
	<b>16 a</b> Legal fees (attach schedule)				
	<b>b</b> Accounting fees (attach schedule)	23,975	4,119		19,856
	<b>c</b> Other professional fees (attach schedule)	41,561	38,459		3,102
	<b>17</b> Interest				
	<b>18</b> Taxes (attach schedule) (see instructions)	4,015	2,184		
	<b>19</b> Depreciation (attach schedule) and depletion				
	<b>20</b> Occupancy				
	<b>21</b> Travel, conferences, and meetings	6,318	1,430		4,888
	<b>22</b> Printing and publications	2,512			2,512
	<b>23</b> Other expenses (attach schedule)	22,065	1,571		20,494
	<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	209,973	81,145		126,994
	<b>25</b> Contributions, gifts, grants paid	271,500			271,500
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	481,473	81,145		398,494	
<b>27</b> Subtract line 26 from line 12					
<b>a Excess of revenue over expenses and disbursements</b>	-216,961				
<b>b Net investment income</b> (if negative, enter -0-)		183,089			
<b>c Adjusted net income</b> (if negative, enter -0-)					

8P

<b>Part II Balance Sheets</b> Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions )		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	135,994	147,071	147,071
	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	8,053	6,702	6,702
	10 a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)			
	c Investments—corporate bonds (attach schedule)	4,994	5,262	5,262
	11 Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	2,996,248	3,424,713	3,424,713
	14 Land, buildings, and equipment basis ▶ 18,792 Less accumulated depreciation (attach schedule) ▶		18,792	
15 Other assets (describe ▶ )				
16 <b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)	3,145,289	3,602,540	3,583,748	
<b>Liabilities</b>	17 Accounts payable and accrued expenses			
	18 Grants payable	22,500	135,500	
	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 ▶ Deferred taxes )	22,917	33,765	
	23 <b>Total liabilities</b> (add lines 17 through 22)	45,417	169,265	
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> <input checked="" type="checkbox"/>			
	24 Unrestricted	3,099,872	3,414,483	
	25 Temporarily restricted			
	26 Permanently restricted			
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds				
30 <b>Total net assets or fund balances</b> (see instructions)	3,099,872	3,414,483		
31 <b>Total liabilities and net assets/fund balances</b> (see instructions)	3,145,289	3,583,748		

**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	3,099,872
2 Enter amount from Part I, line 27a	2	-216,961
3 Other increases not included in line 2 (itemize) ▶ Unrealized gains on investments	3	542,421
4 Add lines 1, 2, and 3	4	3,425,332
5 Decreases not included in line 2 (itemize) ▶ Deferred tax provision	5	10,849
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,414,483

**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 Partnership distribution		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 225,751			225,751	
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			225,751	
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 }		2 225,751
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 9,384

**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	342,107	3,191,982	0.107177
2010	402,400	3,925,125	0.102519
2009	450,545	3,434,274	0.131191
2008	486,508	4,466,830	0.108916
2007	696,051	5,744,377	0.121171
2 Total of line 1, column (d)			2 0.570974
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 0.114195
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 3,339,107
5 Multiply line 4 by line 3			5 381,309
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,831
7 Add lines 5 and 6			7 383,140
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.			8 398,494

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		1	1,831
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
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	1,831
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	1,831
6 Credits/Payments			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	8,053	
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	8,053
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	6,222
11 Enter the amount of line 10 to be Credited to 2013 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>		11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		
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>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
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>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NY		
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? <i>If "No," attach explanation</i>	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>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		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 ▶ <u>www.aequus.org</u>	13	X	
14	The books are in care of ▶ <u>Nancy Padilla</u> Telephone no ▶ <u>800-441-1963</u> Located at ▶ <u>Post Office Box 3485 Elmira NY</u> ZIP+4 ▶ <u>14905</u>			
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 ▶ <u>15</u>			
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
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)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20 _____, 20 _____, 20 _____, 20 _____		
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)	3b	N/A
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)? Organizations relying on a current notice regarding disaster assistance check here  **5b** N/A

**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?  Yes  No **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?  Yes  No **7b** N/A

**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
Larry Arnn P O Box 3485 Elmira, NY 14905	Director/Ex Dir 6 00	31,000		
Edwin Feulner P O Box 3485 Elmira, NY 14905	Director/Secretary 2 00	6,000		
David Keyston P O Box 3485 Elmira, NY 14905	Director/V P 2 00	6,000		
Patrick Parker P O Box 3485 Elmira, NY 14905	Director/President 2 00	6,000		

**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
Nancy Padilla 712 West 2nd Street, Elmira, NY 14905	Exec Director 40 00	54,945		

**Total** number of other employees paid over \$50,000 **1**

**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		
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-----		
-----		
-----		
-----		

Total number of others receiving over \$50,000 for professional services ▶

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See instructions	
3	
<b>Total.</b> Add lines 1 through 3 <span style="float: right;">▶</span>	

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	3,240,457
<b>b</b>	Average of monthly cash balances	<b>1b</b>	141,711
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	7,788
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	3,389,956
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	3,389,956
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	<b>4</b>	50,849
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	3,339,107
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	166,955

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	166,955
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5	<b>2a</b>	1,831
<b>b</b>	Income tax for 2012 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1,831
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	165,124
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	165,124
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	165,124

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	398,494
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	<b>4</b>	398,494
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	<b>5</b>	1,831
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	396,663

**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
<b>1</b>	Distributable amount for 2012 from Part XI, line 7				165,124
<b>2</b>	Undistributed income, if any, as of the end of 2012				
<b>a</b>	Enter amount for 2011 only				
<b>b</b>	Total for prior years 20 ____, 20 ____, 20 ____				
<b>3</b>	Excess distributions carryover, if any, to 2012				
<b>a</b>	From 2007	429,988			
<b>b</b>	From 2008	264,318			
<b>c</b>	From 2009	279,909			
<b>d</b>	From 2010	208,622			
<b>e</b>	From 2011	185,286			
<b>f</b>	Total of lines 3a through e	1,368,123			
<b>4</b>	Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 398,494				
<b>a</b>	Applied to 2011, but not more than line 2a				
<b>b</b>	Applied to undistributed income of prior years (Election required—see instructions)				
<b>c</b>	Treated as distributions out of corpus (Election required—see instructions)				
<b>d</b>	Applied to 2012 distributable amount				165,124
<b>e</b>	Remaining amount distributed out of corpus	233,370			
<b>5</b>	Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a) )				
<b>6</b>	Enter the net total of each column as indicated below:				
<b>a</b>	Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,601,493			
<b>b</b>	Prior years' undistributed income Subtract line 4b from line 2b				
<b>c</b>	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				
<b>d</b>	Subtract line 6c from line 6b Taxable amount—see instructions				
<b>e</b>	Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions				
<b>f</b>	Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				
<b>7</b>	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
<b>8</b>	Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	429,988			
<b>9</b>	Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	1,171,505			
<b>10</b>	Analysis of line 9				
<b>a</b>	Excess from 2008	264,318			
<b>b</b>	Excess from 2009	279,909			
<b>c</b>	Excess from 2010	208,622			
<b>d</b>	Excess from 2011	185,286			
<b>e</b>	Excess from 2012	233,370			

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

N/A

**1 a** 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)

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

Nancy Padilla Post Office Box 3485 Elmira, NY 14905 800-441-1963

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

Letter of proposal with a budget attached

**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

Study of Christian Science religion The free market system and related areas

**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
<b>a</b> <i>Paid during the year</i> See attached	None	Public		271,500
<b>Total</b>				▶ <b>3a</b> 271,500
<b>b</b> <i>Approved for future payment</i>				
<b>Total</b>				▶ <b>3b</b>





**Part I, Line 16b (990-PF) - Accounting Fees**

		23,975	4,119	19,856
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	Audit	7,500		7,500
2	Bookkeeping services	16,475	4,119	12,356

**Part I, Line 16c (990-PF) - Other Professional Fees**

		41,561	38,459	3,102
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	Investment management	38,459	38,459	
2	Outside services	3,102		3,102

**Part I, Line 18 (990-PF) - Taxes**

		4,015	2,184	
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	Federal excise taxes	1,831		
2	Foreign tax withheld	2,184	2,184	
3				
4				

**Part I, Line 23 (990-PF) - Other Expenses**

		22,065	1,571	20,494
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	Bank charges	709		709
2	Dues and subscriptions	1,283		1,283
3	Entertainment and meals	244		244
4	Insurance	3,403		3,403
5	Miscellaneous	490		490
6	Office supplies	5,647		5,647
7	Payroll taxes	6,282	1,571	4,711
8	Postage	1,415		1,415
9	Telephone	2,592		2,592
10				
11				
12				
13				
14				

**Part II, Line 10c (990-PF) - Investments - Corporate Bonds**

				4,994	5,262	4,994	5,262
Description		Interest Rate	Maturity Date	Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year
1	Publicly traded bonds			4,994	5,262	4,994	5,262

**Part II, Line 13 (990-PF) - Investments - Other**

			2,996,248	3,424,713	3,424,713
Asset Description		Basis of Valuation	Book Value Beg of Year	Book Value End of Year	FMV End of Year
1	Futures fund	FMV	193,972	183,584	183,584
2	Hedge fund	FMV	274,040	328,262	328,262
3	Pooled partnership fund	FMV	2,528,236	2,912,867	2,912,867



**Aequus Institute**  
**2012 GRANT AWARD LIST**

GRANT RECIPIENT	AWARD DATE	AWARD PURPOSE	AWARD AMOUNT
ACTON INSTITUTE 161 Ottawa N.W., Suite 301 Grand Rapids, MI 49503	12/04/12	Conferences, Virtual Univ.	\$1,000
AMERICAN ENTERPRISE INSTITUTE 1150 Seventeenth Street, N.W. Washington, DC 20036	12/04/12	General Operatins	\$1,000
ARMY HERITAGE FOUNDATION P.O. Box 839 Carlisle, PA 17013	11/20/12	General Operations	\$1,000
ATLAS ECONOMIC RESEARCH FDTN 1201 L Street, N.W. Washington, DC 20002	12/04/12	General Operations	\$1,000
BEACON HAVEN 1200 Long Lake Boulevard New Brighton, MN 55112	12/04/12	General Operations, Building Update	\$1,000
BIBLOS FOUNDATION 196 Spring Oaks Drive Ballwin, MO 63011	12/04/12	Web Recordings	\$1,000
BOOKMARK P.O. Box 881143 Santa Clarita, CA 91380	04/21/12	ERG General Operations, Charitable Work	\$3,000
BOOKMARK P.O. Box 881143 Santa Clarita, CA 91380	07/31/12	ERG General Operations, Charitable Work	\$1,500
BOOKMARK P.O. Box 881143 Santa Clarita, CA 91380	12/04/12	ERG General Operations, Charitable Work	\$2,500
C.S. ENDTIME CENTER 3225-J S. Wadsworth Boulevard Denver, CO 80227	01/12/12	General Operations	\$2,500
C.S. ENDTIME CENTER 3225-J S. Wadsworth Boulevard Denver, CO 80227	04/21/12	General Operations	\$2,500

GRANT RECIPIENT	AWARD DATE	AWARD PURPOSE	AWARD AMOUNT
C.S. ENDTIME CENTER 3225-J S. Wadsworth Boulevard Denver, CO 80227	12/04/12	General Operations	\$2,500
CENTER FOR LIBERTY AND FREE SPEECH 1611 North Kent Street, Suite 901 Arlington, VA 22209	12/04/12	Paul Revere Project	\$1,000
CHURCHILL CENTRE P.O. Box 935 Downers Grove, IL 60515	11/20/12	General Operations	\$1,000
CLAREMONT INSTITUTE 937 W. Foothill Boulevard Claremont, CA 91711	11/20/12	General Operations	\$2,500
CLAREMONT INSTITUTE 937 W. Foothill Boulevard Claremont, CA 91711	12/04/12	General Operations	\$5,000
CLAREMONT MCKENNA COLLEGE SALVATORI CENTER 850 Columbia Claremont, CA 91711	11/20/12	General Operations	\$1,000
FERN LODGE 18457 Madison Avenue Castro Valle, CA 94546	12/04/12	Christian Science Nursing Program	\$2,500
FIFTH CHURCH OF CHRIST, SCIENTIST 2941 W. Hefner Road Oklahoma City, OK 73120	12/04/12	General Operations Building Remodel	\$25,000
FOUNDATION FOR RESEARCH ON ECONOMICS AND THE ENVIRONMENT 662 Ferguson Road Bozeman, MT 59718	12/04/12	Religious Leader's Programs	\$1,000
FUND FOR AMERICAN STUDIES 1706 New Hampshire Avenue, N.W. Washington, DC 20009	12/04/12	General Operations	\$1,000
HERITAGE FOUNDATION 214 Massachusetts Avenue, N.E. Washington, DC 20002	04/21/12	General Operations	\$75,000
HERITAGE FOUNDATION 214 Massachusetts Avenue, N.E. Washington, DC 20002	11/20/12	General Operations	\$2,500

GRANT RECIPIENT	AWARD DATE	AWARD PURPOSE	AWARD AMOUNT
HILLSDALE COLLEGE 33 East college Street Hillsdale, MI 49242	12/04/12	Kirby Center Programs	\$50,000
HILLSDALE COMMUNITY CENTER P.O. Box 276 Hillsdale, MI 49242	11/20/12	General Operations	\$1,000
INSTITUTE OF WORLD POLITICS 1521 16th Street, N.W. Washington, DC 20036	12/04/12	General Operations	\$3,500
INTERCOLLEGIATE STUDIES INSTITUTE 3901 Centerville Road Wilmington, DE 19807	01/17/12	General Operations	\$5,000
INTERCOLLEGIATE STUDIES INSTITUTE 3901 Centerville Road Wilmington, DE 19807	12/04/12	Leadership for America's Future Campaign	\$10,000
LANDMARK LEGAL FOUNDATION 3100 Broadway, Suite 1210 Kansas City, MO 64111	12/04/12	General Operations	\$1,000
MONT PELERIN SOCIETY P.O. Box 7031 Alexandria, VA 22307	04/21/12	2012 Hayek Essay Contest	\$40,000
NEW CRITERION 900 Broadway New York, NY 10003	12/04/12	General Operations	\$1,000
NOVUS ORDO SECLORUM Box 11 Mount Joy, PA 17552	04/21/12	Preserving Christian Science Doctrine	\$5,000
OMAHA ZOO 3701 S. 10th Street Omaha, NE 66107	11/20/12	General Operations	\$1,000
PACIFIC RESEARCH INSTITUTE One Embarcadero Center, Suite 350 San Francisco, CA 94111	12/04/12	Education Studies Program	\$1,000
PHILADELPHIA SOCIETY 11620 Rutan Circle Jerome, MI 49242	12/04/12	General Operations, Meeting Expenses	\$2,500

GRANT RECIPIENT	AWARD DATE	AWARD PURPOSE	AWARD AMOUNT
PRINCIPIA COLLEGE 1 Maybeck Place Elsah, IL 62028	12/04/12	General Operations, Research	\$2,500
REASON FOUNDATION 5737 Mesmer Avenue Los Angeles, CA 90230-6316	12/04/12	General Operations	\$1,000
REGIS UNIVERSITY 3333 Regis Boulevard, B-16 Denver, CO 80221	01/17/12	General Operations	\$5,000
ST. VINCENT COLLEGE - CPET 300 Fraser Purchase Road Latrobe, PA 15650	12/04/12	Education Lecture Series	\$1,000
STATE POLICY NETWORK 1635 N. Fort Myer Drive, Suite 300 Arlington, VA 22209	12/04/12	General Operations	\$1,000
STUDENTNEWS DAILY.COM P.O. Box 30353 Edmond, OK 73003	12/04/12	General Operations	\$1,000
TAX FOUNDATION 52914th Street, N.W., Suite 420 Washington, DC 20045	12/04/12	Internship Program	\$1,000

<b>TOTAL 2012</b>	<b>\$271,500</b>
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