

Return of Private Foundation

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

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.

OMB No 1545-0052

2013

Open to Public Inspection

Form 990-PF

Department of the Treasury Internal Revenue Service

For calendar year 2013 or tax year beginning DEC 1, 2013, and ending NOV 30, 2014

Name of foundation
THE CHARLES & AGNES KAZARIAN ETERNAL FOUNDATION C/O PAUL B. KAZARIAN

Number and street (or P O box number if mail is not delivered to street address) Room/suite
1629 K STREET NW 300

City or town, state or province, country, and ZIP or foreign postal code
WASHINGTON, DC 20006

A Employer identification number
05-0502562

B Telephone number
(401) 861-6160

C If exemption application is pending, check here

D 1 Foreign organizations, check here
2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

G Check all that apply:
 Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)
\$ 173,146,597. (Part I, column (d) must be on cash basis)

J Accounting method: Cash Accrual
 Other (specify) _____

Part I Analysis of Revenue and Expenses		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received					
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		6,454.	6,454.	6,454.	STATEMENT 1
4 Dividends and interest from securities		1,322,817.	1,322,817.	1,322,817.	STATEMENT 2
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					
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain				0.	
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		237.	0.	237.	STATEMENT 3
12 Total. Add lines 1 through 11		1,329,508.	1,329,271.	1,329,508.	
13 Compensation of officers, directors, trustees, etc		0.	0.	0.	0.
14 Other employee salaries and wages		70,368.	4,887.	0.	65,481.
15 Pension plans, employee benefits		27,899.	0.	0.	27,899.
16a Legal fees					
b Accounting fees					
c Other professional fees					
17 Interest					
18 Taxes STMT 4		31,309.	438.	0.	5,871.
19 Depreciation and depletion		376.	0.	376.	
20 Occupancy		34,256.	0.	0.	34,256.
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		3,375,671.	54,378.	0.	3,321,293.
24 Total operating and administrative expenses. Add lines 13 through 23		3,539,879.	59,703.	376.	3,454,800.
25 Contributions, gifts, grants paid		0.			0.
26 Total expenses and disbursements Add lines 24 and 25		3,539,879.	59,703.	376.	3,454,800.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<2,210,371.>			
b Net investment income (if negative, enter -0-)			1,269,568.		
c Adjusted net income (if negative, enter -0-)				1,329,132.	

3/3

SCANNED FEB 18 2016

SCANNED OCT 28 2015

RECEIVED
OCT 21 2015
RS-OSC
OGDEN UT

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	1,215,189.	2,310,308.	2,310,308.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ 76,000,000.			
	Less: allowance for doubtful accounts ▶	76,000,000.	76,000,000.	76,000,000.
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	11,124.	10,226.	10,226.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 7	20,756,043.	19,551,827.	30,675,563.	
14 Land, buildings, and equipment basis ▶ 7,836.				
Less accumulated depreciation STMT 8 ▶ 7,336.	876.	500.	500.	
15 Other assets (describe ▶ STATEMENT 9)	26,800,000.	27,650,000.	64,150,000.	
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)	124,783,232.	125,522,861.	173,146,597.	
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			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <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 checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	124,783,232.	125,522,861.		
30 Total net assets or fund balances	124,783,232.	125,522,861.		
31 Total liabilities and net assets/fund balances	124,783,232.	125,522,861.		

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)		1 124,783,232.
2 Enter amount from Part I, line 27a		2 <2,210,371.>
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6		3 2,950,000.
4 Add lines 1, 2, and 3		4 125,522,861.
5 Decreases not included in line 2 (itemize) ▶		5 0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30		6 125,522,861.

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				
b NONE				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(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		
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 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). 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))
2012	1,191,546.	23,037,224.	.051723
2011	1,172,717.	22,014,913.	.053269
2010	1,133,276.	23,199,367.	.048849
2009	1,107,893.	23,684,695.	.046777
2008	1,053,477.	25,911,989.	.040656
2 Total of line 1, column (d)			.241274
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			.048255
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5		38,777,840.	
5 Multiply line 4 by line 3			1,871,225.
6 Enter 1% of net investment income (1% of Part I, line 27b)			12,696.
7 Add lines 5 and 6			1,883,921.
8 Enter qualifying distributions from Part XII, line 4			1,354,800.

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.

THE CHARLES & AGNES KAZARIAN

Form 990-PF (2013)

ETERNAL FOUNDATION C/O PAUL B. KAZARIAN

05-0502562

Page 4

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	25,391.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	25,391.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	25,391.
6	Credits/Payments:		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	17,186.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	15,000.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	32,186.
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	6,795.
11	Enter the amount of line 10 to be: Credited to 2014 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9	X	
10		X

Form 990-PF (2013)

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>N/A</u>	13	X	
14	The books are in care of ► <u>PAUL B. KAZARIAN</u> Telephone no. ► <u>(401) 861-6160</u> Located at ► <u>30 KENNEDY PLAZA, PROVIDENCE, RI</u> ZIP+4 ► <u>02903</u>	15		N/A
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15		<input type="checkbox"/>
16	At any time during calendar year 2013, 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 ► <u>SEE STATEMENT 10</u>	16	X	

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	1b	
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 2013? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years: _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No ► _____		
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 2013 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 2013) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 2013?	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)? 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)? Yes No
Organizations relying on a current notice regarding disaster assistance check here 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). N/A

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? Yes No

5b		
6b		X
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.

(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
PAUL B. KAZARIAN 1629 K STREET NW, SUITE 300 WASHINGTON, DC 20006	CHAIRMAN/PRESIDENT 10 %	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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. 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 SEE ATTACHED STATEMENT #11	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 PRIOR PROGRAM RELATED INVESTMENT UTILIZED AS A QUALIFYING DISTRIBUTION REPAID.	<2,100,000.>
2	
3 All other program-related investments. See instructions.	
Total. Add lines 1 through 3 ▶	<2,100,000.>

Form 990-PF (2013)

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	36,728,718.
b Average of monthly cash balances	1b	2,639,647.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	39,368,365.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	39,368,365.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	590,525.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	38,777,840.
6 Minimum investment return. Enter 5% of line 5	6	1,938,892.

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	
2a Tax on investment income for 2013 from Part VI, line 5	2a	
b Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	
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	

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	3,454,800.
b Program-related investments - total from Part IX-B	1b	<2,100,000.>
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	1,354,800.
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	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,354,800.

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)

N/A

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only				
b Total for prior years:				
3 Excess distributions carryover, if any, to 2013:				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f Total of lines 3a through e				
4 Qualifying distributions for 2013 from Part XII, line 4: ► \$				
a Applied to 2012, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2013 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see instructions				
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount - see instr.				
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7				
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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

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 2013, enter the date of the ruling ▶ 03/17/00
 b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
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	1,329,132.	1,151,861.	727,371.	377,198.	3,585,562.
b 85% of line 2a	1,129,762.	979,082.	618,265.	320,618.	3,047,728.
c Qualifying distributions from Part XII, line 4 for each year listed	1,354,800.	1,205,390.	1,179,655.	1,136,811.	4,876,656.
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.	0.	0.	0.	0.
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	1,354,800.	1,205,390.	1,179,655.	1,136,811.	4,876,656.
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					(X) 0.
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	1,292,595.	767,907.	733,831.	773,312.	3,567,645.
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)					0.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income					0.

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).)

PAUL B. KAZARIAN

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 address of the person to whom applications should be addressed:

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

c Any submission deadlines:

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

THE CHARLES & AGNES KAZARIAN

Form 990-PF (2013)

ETERNAL FOUNDATION C/O PAUL B. KAZARIAN

05-0502562 Page 11

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				
NONE				
Total			▶ 3a	0.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Form 990-PF (2013)

323611
10-10-13

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
BOA PCA PRIMARY CHECKING	8.	8.	8.
MERRILL LYNCH	91.	91.	91.
URBAN PARTNERSHIP BANK (CD)	2,083.	2,083.	2,083.
URBAN PARTNERSHIP BANK (MM)	4,272.	4,272.	4,272.
TOTAL TO PART I, LINE 3	6,454.	6,454.	6,454.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
UBS - CORPORATE SECURITIES	0.	0.	0.	0.	0.
UBS - CORPORATE SECURITIES	772,912.	0.	772,912.	772,912.	772,912.
UBS - FIDUCIARY DEPOSITS	6,514.	0.	6,514.	6,514.	6,514.
UBS - FOREIGN SECURITIES	<124,119.>	0.	<124,119.>	<124,119.>	<124,119.>
UBS - MONEY MARKET	4,271.	0.	4,271.	4,271.	4,271.
UBS SFA - OID INTEREST	663,239.	0.	663,239.	663,239.	663,239.
TO PART I, LINE 4	1,322,817.	0.	1,322,817.	1,322,817.	1,322,817.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
BOOK & CD SALES	237.	0.	237.
TOTAL TO FORM 990-PF, PART I, LINE 11	237.	0.	237.

FORM 990-PF	TAXES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
PAYROLL TAXES	6,309.	438.	0.	5,871.	
FEDERAL TAXES	25,000.	0.	0.	0.	
TO FORM 990-PF, PG 1, LN 18	31,309.	438.	0.	5,871.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
BANK & INVESTMENT FEES	52,511.	52,511.	0.	0.	
DIRECT PROGRAM EXPENSES	357,619.	0.	0.	357,619.	
OFFICE EXPENSE	6,237.	0.	0.	6,237.	
TELEPHONE	2,191.	0.	0.	2,191.	
UTILITIES	748.	0.	0.	748.	
PRI	2,950,000.	0.	0.	2,950,000.	
INSURANCE	1,560.	0.	0.	1,560.	
OUTSIDE COMPUTER SERVICES	1,867.	1,867.	0.	0.	
ADVERTISING	2,690.	0.	0.	2,690.	
SAFE DEPOSIT BOX	248.	0.	0.	248.	
TO FORM 990-PF, PG 1, LN 23	3,375,671.	54,378.	0.	3,321,293.	

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	6
DESCRIPTION		AMOUNT	
EXPENDITURE FOR PROGRAM RELATED INVESTMENT		2,950,000.	
TOTAL TO FORM 990-PF, PART III, LINE 3		2,950,000.	

FORM 990-PF **OTHER INVESTMENTS** **STATEMENT** **7**

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT BONDS	COST	441,250.	588,350.
GOVERNMENT DEBT	COST	9,221,144.	20,275,568.
UBS AG	COST	345,838.	268,050.
UBS SFA - FID TIME DEPOSITS	COST	2,000,000.	2,000,000.
UBS SFA - FID CALL DEPOSITS	COST	7,373,000.	7,373,000.
UBS SFA - FID CALL DEPOSITS (EURO)	COST	170,595.	170,595.
TOTAL TO FORM 990-PF, PART II, LINE 13		19,551,827.	30,675,563.

FORM 990-PF **DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT** **STATEMENT** **8**

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
COMPUTER	3,763.	3,763.	0.
LAPTOP	2,194.	2,194.	0.
COMPUTER	1,701.	1,247.	454.
COMPUTER	178.	132.	46.
TOTAL TO FM 990-PF, PART II, LN 14		7,836.	500.

FORM 990-PF **OTHER ASSETS** **STATEMENT** **9**

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ECONOMIC INTEREST IN PROFIT PARTICIPATION	21,000,000.	21,000,000.	21,000,000.
PROGRAM RELATED INVESTMENT - A	3,500,000.	3,500,000.	40,000,000.
PROGRAM RELATED INVESTMENT - B	2,100,000.	1,400,000.	1,400,000.
PROGRAM RELATED INVESTMENT - C	200,000.	600,000.	600,000.
PROGRAM RELATED INVESTMENT - D	0.	1,000,000.	1,000,000.
PROGRAM RELATED INVESTMENT - E	0.	100,000.	100,000.
PROGRAM RELATED INVESTMENT - F	0.	50,000.	50,000.
TO FORM 990-PF, PART II, LINE 15	26,800,000.	27,650,000.	64,150,000.

FORM 990-PF

NAME OF FOREIGN COUNTRY IN WHICH
ORGANIZATION HAS FINANCIAL INTEREST

STATEMENT 10

NAME OF COUNTRY

SWITZERLAND
ARMENIA

The Charles & Agnes Kazarian Eternal Foundation
05-0502562

Form 990-PF
Statement 11

Summary of Direct Charitable Activities (Part IX-A)

The Charles & Agnes Kazarian Eternal Foundation (CAKF) focuses primarily on economic development and education initiatives to empower great aspirations in the whole human family, with a special focus on projects that support Armenian culture, in both the Diaspora and Armenia.

Initiative 1 – Economic Development

CAKF's economic development initiative includes global economic development and research projects.

Within this initiative, its most significant program is J-InterSect (JIS), a global performance improvement company at the nexus of the commercial and social sectors. JIS products and services create high value-add, high return on resources, and high impact (the "3-Highs"). Organizations utilize JIS Project Reports and Rapid Response Memorandums to improve performance primarily in four ways: Benchmarking and Best Practice Research; Internal and External Training; Key Performance Indicator Management; and New Initiatives Assessment. JIS improves performance within ten Programs at the nexus of the commercial and social sectors. JIS team members are located in the United States and Asia and have completed more than 300 Project Reports and Rapid Response Memorandums.

Over the past ten years, JIS has developed proprietary processes for producing Project Reports and Rapid Response Memorandums focused on improving performance through the "3-Highs". The processes include JIS's proprietary ABCs covering approximately 140 countries: (A) Analyze ten global benchmarks and their high value-add best practices; (B) Build relationships with ten highly successful global thought leaders or executives; and (C) Convince that the JIS research is vastly superior to the ten best studies on the topic.

J-InterSect's management-level Project Reports and Rapid Response Memorandums strengthen democracy and free enterprise by providing top quartile benchmarking and high value-add best practice research. JIS continued to expand operations globally leading to increased production of intersectoral program Project Reports.

Additionally, CAKF continued its community development bank linked deposit Program Related Investments to provide capital for economic development in underserved communities consistent with CAKF's mission and NPB philosophy, expanding the program to new cities.

Expenses – \$2,684,307

Project 2 – Education Project Sector

CAKF's educational initiative seeks to empower individuals with knowledge and wisdom to improve themselves and the world in which they live.

New Philanthropy Benchmarking: Wisdom for the Passionate (NPB), published by CAKF's United University Press is an innovative and powerful contribution to professional philanthropic pedagogy. The 420-page hardcover textbook has gained wide recognition as an innovative and powerful contribution to professional philanthropic pedagogy. The three sets of seven messages displayed on its cover are foundational principles of CAKF and offer some of the most compelling and thought-provoking broadsides against traditional philanthropic practices. NPB offers the following in a concise, working book, and prospectus format:

- 7 Capitalists/Philanthropists Profiles: Including the Bronfman brothers, Gates, Milken, Monaghan, Soros, Spielberg, and Steinhardt. NPB distills and explains the successful transfer of commercial practices to social sector initiatives to which each is passionately committed.
- 7 NPB Wisdom Points: The 7 intersectoral wisdom points gleaned from sector best practices complemented by innovative insights and extensive original research. The wisdom points range from empowering to operationally practical.
- 7 Educational Components: The 7 educational components provide the reader a structured framework to retain and apply the expansive content of NPB. These encompass three categories that build on a synergistic collaboration of commercial sector benchmarking, progressive intersectoral practices, and contemporary financial market analytical tools.
- NPB Multiplier/Discount Effect: The power and compelling attractiveness of NPB is its ability to assist CPs in multiplying the impact of their resource investments relative to similar social sector initiatives and minimize risk. The Multiplier/Discount Effect offers the tool to foster the challenge to achieve 10, or even 100, times greater impact on each dollar of social sector investment.
- Cutting-edge Financial Concepts: NPB adopts an unmistakable advocacy position for the greater adoption of capital market-type financial practices to the social sector.
- Misfortunate Situations and Risk Assessment: NPB contains diverse and comprehensive examples of social sector misfortunate situations, especially those resulting in unintended and negative consequences.
- Appendices: Twenty-one appendices offer powerfully practical tools for the target audience. The wealth of deep information allows the passionate reader to select relevant resources and take NPB to successful fruition.

CAKF continued efforts to disseminate the book and its message to the growing number of global capitalist philanthropists whose initiatives are rapidly increasing in size and influence, as well as universities developing philanthropy programs. The nation's top several hundred academic and public libraries have added NPB to their collections. NPB has been shown in the *New York Times Book Review*, *The Harvard Business Review*, *The Chronicle of Philanthropy*, and *Foreign Affairs*. Reviews are strong, including an impressive review by a highly regarded professional in the field of new philanthropy and former Research Fellow at both the Harvard

and Stanford graduate schools. NPB was cited by Harvard University on a top recommended Moral Leadership reading list.

**“A POWERFUL &
REVOLUTIONARY
APPROACH...”**

“NPB offers numerous golden nuggets...” — **Bronfman**

“...a must read for anyone interested in making a positive, effective and meaningful impact within the social sector.” — **Gates**

7 Capitalist Philanthropists — **Milken**

7 Wisdom Points — **Monaghan**

“She has very effectively combined the two concepts of philanthropy and competition.” — **Soros**

7 Educational Components — **Spielberg**

— **Steinhardt**

New Philanthropy Benchmarking
Wisdom for the Passionate
Kristina Anna Kazarian

New Philanthropy Benchmarking
Wisdom for the Passionate
Kristina Anna Kazarian

Visit United University Press at www.unitedu.com/npb.html

More information about NPB can be found at www.unitedu.com/npb.html.

CAKF continued its distribution of DiscoverArmenian™, the world’s leading Armenian language software program. Based J-InterSect benchmarking and best practice research, CAKF’s team designed and developed the software providing Western Armenian language training. 18 months of work by over two dozen Armenian-based professionals produced a world-class software program containing 500 hours of lessons (equivalent to four semesters), over 5,000 words and phrases, vivid graphics, songs, stories, and an interactive dictionary. The program accommodates beginners to advanced levels from ages 9 and up. Distribution is made directly through www.discoverarmenian.com, which also offers an on-line demonstration of the software. The program is available to both individuals and educational institutions.

Discover Armenian™
 A breakthrough in Armenian language-learning

[Discover Armenian Software Available for Order Today! Click Here to Order Now!](#)

[Enter here for the multimedia version of Discover Armenian...](#)
 (Please note that an automatic download of Macromedia Shockwave Player plugin may be required)

[Enter here for the Text Only version of Discover Armenian.](#)

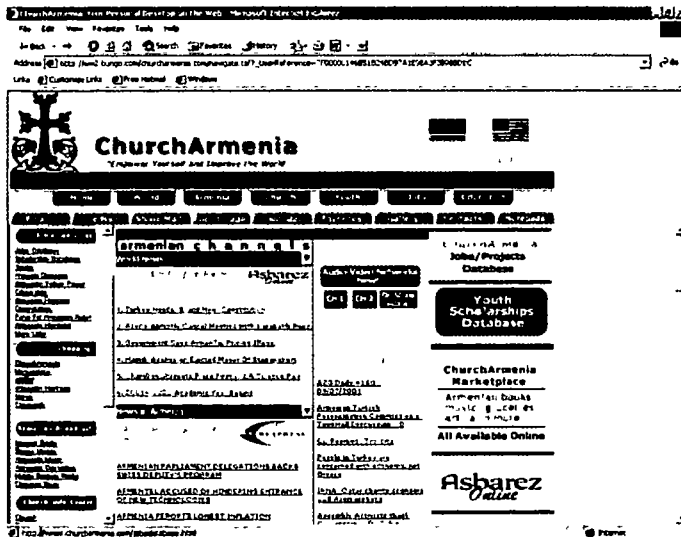
Discover Armenian language software gives users the opportunity to...
 the Armenian language, speaking the Armenian language, and hearing...
 Armenian speakers. The Western Armenian language software is complete...
 provides hundreds of hours of Armenian language instruction and exercises.

© 2003 The CAKE Foundation. All rights reserved.

CAKF is currently working on an updated version of the software.

In addition to the DiscoverArmenian™ software program, CAKF produced a demonstration CD-ROM of the software that it distributes, as well as *Discovering Armenian*, a short cultural film about three young Diasporan Armenian that highlights the extraordinary rewards in learning the Armenian language and heritage.

CAKF's ChurchArmenia initiative includes programs to foster a strong and prosperous global Armenian community. Its website, www.churcharmenia.com combines aspects of Armenian culture in an interactive cyberportal. The site's mission "Empower Yourself and Improve the World" is accomplished through the integration of web-based E-mail and Internet-based collaborative features into an Armenian culture portal offering daily Armenian news, inspirational Christian and educational articles, jobs, scholarships, and an Armenian cyber-marketplace. ChurchArmenia has empowered thousands of otherwise unconnected Armenian and Christian youth. CAKF is working to update and expand site content.



**The Charles & Agnes Kazarian Eternal Foundation
Form 990-PF
Statement 12**

CAKF's Healthcare program included research into and community education on healthcare issues of cultural significance. The Program includes global benchmarking and high value-add best practice research from J-Intersect's Healthcare Economics sector. The Foundation believes that a society is best judged by its success in empowering the most disadvantaged, especially those with disabilities.

CAKF continued to expand the Oral History Library (OHL) archive to document, preserve, and digitally present the historic record of all Armenians. The archive includes audio and video recordings from global sources, as well as still and digital photographs. OHL was created to increase knowledge of Armenian history, culture and heritage. It aims to contribute to the Armenian community by collaborating with other historical, cultural, and educational organizations.

CAKF's Armenian field hockey program providing equipment, coaching, and tournament competition for nine teams of Armenian children. The program works to instill values including teamwork, determination, and goal-setting that will enable participants to succeed in Armenia's transitional economy.

In 2014, CAKF provided additional Program Related Investment funding to provide capital for education in underserved communities consistent with CAKF's mission and NPB philosophy.

In 2011, CAKF began discussions with the Center for Agriculture and Rural Development (CARD) Inc. regarding a program to provide primary education student loans for impoverished Filipinos to send their children to primary school, referred to as its Zero Drop-out Education Scheme (ZeDrES). The aim of the ZeDrES is to encourage impoverished families to send their children to and eventually graduate from primary school. CAKF made this initiative a reality through a program related investment in CARD consisting of a below market rate loan. The investment has proved a great success, providing funds for hundreds of children to attend primary school.

In September 2013, CAKF began discussions with 1915 The Movie LLC regarding funding for the production of an Armenian cultural education film to be titled "1915 The Movie" (1915), its consistency with CAKF's mission, and their difficulty in securing funding through regular capital markets for such an independent niche production. The film, set to be released in April 2015, was produced to commemorate, educate on, and draw attention to the Armenian Genocide. After extensive research and due diligence into the project and industry benchmarks, CAKF provided Program Related Investment funding as such works are important cultural education and preservation tools.

Expenses - \$755,557