Derrick K. Watson
2256 Hikino Street
Honolulu, HI 96821
(808) 561-1238

January 3, 2013

The Honorable Patrick J. Leahy
Chairman
Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

I have reviewed the Senate Questionnaire I previously filed in connection with my nomination on November 14, 2012 to be a United States District Judge for the District of Hawaii. Incorporating the additional information below, I certify that the information contained in that document is, to the best of my knowledge, true and accurate:

- As of December 2012, I am admitted to the bar of the State of Hawaii (in addition to bar of the State of California)(Question 10a).
- As of December 2012, I am admitted to practice before all Courts of the State of Hawaii (Question 10b).

I am also forwarding an updated Net Worth Statement and Financial Disclosure Report, as requested in the Questionnaire. I thank the Committee for its consideration of my nomination.

Sincerely,

Derrick K. Watson

cc: The Honorable Charles E. Grassley
Ranking Member
Committee on the Judiciary
United States Senate
Washington, DC 20510

AO 10*
Rev. 1/2012

FINANCIAL DISCLOSURE REPORT
NOMINATION FILING

Report Required by the Ethics in Government Act of 1978 (5 U.S.C. app. §§ 101-111)

1. Person Reporting (last name, first, middle initial)	**2. Court or Organization**	**3. Date of Report**
WATSON, DERRICK K.	UNITED STATES DISTRICT COURT, DISTRICT OF HAWAII	01/03/2013
4. Title (Article III judges indicate active or senior status; magistrate judges indicate full- or part-time)	**5a. Report Type (check appropriate type)**	**6. Reporting Period**
UNITED STATES DISTRICT JUDGE, ACTIVE STATUS	☑ Nomination Date 01/03/2013 ☐ Initial ☐ Annual ☐ Final **5b.** ☐ Amended Report	01/01/2012 **to** 12/14/2012
7. Chambers or Office Address		
UNITED STATES COURTHOUSE 300 ALA MOANA BOULEVARD HONOLULU, HI 96850		

***IMPORTANT NOTES:* The instructions accompanying this form must be followed. Complete all parts, checking the NONE box for each part where you have no reportable information. Insert signature on last page.**

I. POSITIONS. *(Reporting individual only; see pp. 9-13 of filing instructions.)*

☐ NONE *(No reportable positions.)*

	POSITION	NAME OF ORGANIZATION/ENTITY
1.	DIRECTOR AND SECRETARY	PRINCE JONAH KUHIO KALANIANAOLE CHILD CARE CENTER (NON-PROFIT)
2.		
3.		
4.		
5.		

II. AGREEMENTS. *(Reporting individual only; see pp. 14-16 of filing instructions.)*

☑ NONE *(No reportable agreements.)*

	DATE	PARTIES AND TERMS
1.		
2.		
3.		

Name of Person Reporting	Date of Report
WATSON, DERRICK K.	01/03/2013

III. NON-INVESTMENT INCOME. *(Reporting individual and spouse; see pp. 17-24 of filing instructions.)*

A. Filer's Non-Investment Income

☑ NONE *(No reportable non-investment income.)*

	DATE	SOURCE AND TYPE	INCOME (yours, not spouse's)
1.			
2.			
3.			
4.			

B. Spouse's Non-Investment Income - *If you were married during any portion of the reporting year, complete this section.*

(Dollar amount not required except for honoraria.)

☑ NONE *(No reportable non-investment income.)*

	DATE	SOURCE AND TYPE
1.		
2.		
3.		
4.		

IV. REIMBURSEMENTS *-- transportation, lodging, food, entertainment.*

(Includes those to spouse and dependent children; see pp. 25-27 of filing instructions.)

☐ NONE *(No reportable reimbursements.)*

	SOURCE	DATES	LOCATION	PURPOSE	ITEMS PAID OR PROVIDED
1.	EXEMPT				
2.					
3.					
4.					
5.					

Name of Person Reporting	Date of Report
WATSON, DERRICK K.	01/03/2013

V. GIFTS. *(Includes those to spouse and dependent children; see pp. 28-31 of filing instructions.)*

☐ NONE *(No reportable gifts.)*

	SOURCE	DESCRIPTION	VALUE
1.	EXEMPT		
2.			
3.			
4.			
5.			

VI. LIABILITIES. *(Includes those of spouse and dependent children; see pp. 32-33 of filing instructions.)*

☐ NONE *(No reportable liabilities.)*

	CREDITOR	DESCRIPTION	VALUE CODE
1.	AMERICAN SAVINGS BANK	PHOTOVOLTAIC SYSTEM GREEN LOAN	K
2.			
3.			
4.			
5.			

Name of Person Reporting	Date of Report
WATSON, DERRICK K.	01/03/2013

VII. INVESTMENTS and TRUSTS *-- income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)*

☐ NONE *(No reportable income, assets, or transactions.)*

A. Description of Assets (including trust assets)	B. Income during reporting period		C. Gross value at end of reporting period		D. Transactions during reporting period				
Place "(X)" after each asset exempt from prior disclosure	(1) Amount Code 1 (A-H)	(2) Type (e.g., div., rent, or int.)	(1) Value Code 2 (J-P)	(2) Value Method Code 3 (Q-W)	(1) Type (e.g., buy, sell, redemption)	(2) Date mm/dd/yy	(3) Value Code 2 (J-P)	(4) Gain Code 1 (A-H)	(5) Identity of buyer/seller (if private transaction)
1. SCHOLARSHARE 529 PLAN AGE-BASED PORTFOLIO 0-4		None	J	T	Exempt				
2. SCHOLARSHARE 529 PLAN AGE-BASED PORTOFOLIO 5-8		None	J	T					
3. FIDELITY BLUE CHIP VALUE FUND	A	Dividend	K	T					
4. FIDELITY EQUITY INCOME FUND	A	Dividend	K	T					
5. FIDELITY FIFTY	A	Dividend	K	T					
6. FIDELITY INDEPENDENCE FUND	A	Dividend	K	T					
7. FIDELITY INTERNATIONAL DISCOVERY FUND	A	Dividend	J	T					
8. FIDELITY INVESTMENT GRADE BOND FUND	A	Interest	K	T					
9. FIDELITY NEW MILLENIUM FUND	A	Dividend	K	T					
10. FIDELITY STOCK SELECTOR SMALL CAP FUND		None	J	T					
11. FIDELITY TOTAL BOND FUND	C	Interest	L	T					
12. FIDELITY VALUE STRATEGIES FUND	A	Dividend	K	T					
13. CLEAN ENERGY FUELS CORPORATION STOCK	A	Dividend	J	T					
14. FIRST TRUST ISE REVERE NATURAL GAS INDEX FUND	A	Dividend	J	T					
15. GENERAL ELECTRIC COMPANY STOCK	A	Dividend	K	T					
16. GREATER CHINA FUND INC.	A	Dividend	J	T					
17. JOHNSON & JOHNSON STOCK	A	Dividend							

1. Income Gain Codes: (See Columns B1 and D4)	A =$1,000 or less	B =$1,001 - $2,500	C =$2,501 - $5,000	D =$5,001 - $15,000	E =$15,001 - $50,000
	F =$50,001 - $100,000	G =$100,001 - $1,000,000	H1 =$1,000,001 - $5,000,000	H2 =More than $5,000,000	
2. Value Codes (See Columns C1 and D3)	J =$15,000 or less	K =$15,001 - $50,000	L =$50,001 - $100,000	M =$100,001 - $250,000	
	N =$250,001 - $500,000	O =$500,001 - $1,000,000	P1 =$1,000,001 - $5,000,000	P2 =$5,000,001 - $25,000,000	
	P3 =$25,000,001 - $50,000,000		P4 =More than $50,000,000		
3. Value Method Codes (See Column C2)	Q =Appraisal	R =Cost (Real Estate Only)	S =Assessment	T =Cash Market	
	U =Book Value	V =Other	W =Estimated		

Name of Person Reporting	Date of Report
WATSON, DERRICK K.	01/03/2013

VII. INVESTMENTS and TRUSTS -- *income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)*

☐ NONE *(No reportable income, assets, or transactions.)*

A. Description of Assets (including trust assets)	B. Income during reporting period		C. Gross value at end of reporting period		D. Transactions during reporting period				
Place "(X)" after each asset exempt from prior disclosure	(1) Amount Code 1 (A-H)	(2) Type (e.g., div., rent, or int.)	(1) Value Code 2 (J-P)	(2) Value Method Code 3 (Q-W)	(1) Type (e.g., buy, sell, redemption)	(2) Date mm/dd/yy	(3) Value Code 2 (J-P)	(4) Gain Code 1 (A-H)	(5) Identity of buyer/seller (if private transaction)
18. PRIME MONEY MARKET RBC RESERVE	A	Interest	J	T					
19. NAVISTAR INTERNATIONAL CORP. STOCK	A	Dividend	J	T					
20. WISDOM TREE INDIA EARNINGS FUND	A	Dividend	J	T					
21. WISDOM TREE INTERNATIONAL BASIC MATERIALS FUND	A	Dividend							
22. AMERICAN SAVINGS BANK ACCOUNTS	A	Interest	J	T					
23. HONOLULU FEDERAL CREDIT UNION ACCOUNTS	A	Interest	J	T					
24. U.S. TREASURY SAVINGS BONDS		None	J	T					
25. GUGGENHEIM ABC HIGH DIVIDEND ETF (X)	A	Dividend	J	T					
26. HAWAIIAN ELECTRIC INDUSTRIES INC. (X)	A	Dividend	J	T					
27. MARKET VECTORS RARE EARTH/ STRATEGIC METALS ETF (X)	A	Dividend	J	T					
28. FREEPORT MCMORAN COPPER & GOLD (X)	A	Dividend	J	T					
29. XEROX CORPORATION (X)	A	Dividend	J	T					

1. Income Gain Codes: (See Columns B1 and D4)	A =$1,000 or less	B =$1,001 - $2,500	C =$2,501 - $5,000	D =$5,001 - $15,000	E =$15,001 - $50,000
	F =$50,001 - $100,000	G =$100,001 - $1,000,000	H1 =$1,000,001 - $5,000,000	H2 =More than $5,000,000	
2. Value Codes (See Columns C1 and D3)	J =$15,000 or less	K =$15,001 - $50,000	L =$50,001 - $100,000	M =$100,001 - $250,000	
	N =$250,001 - $500,000	O =$500,001 - $1,000,000	P1 =$1,000,001 - $5,000,000	P2 =$5,000,001 - $25,000,000	
	P3 =$25,000,001 - $50,000,000		P4 =More than $50,000,000		
3. Value Method Codes (See Column C2)	Q =Appraisal	R =Cost (Real Estate Only)	S =Assessment	T =Cash Market	
	U =Book Value	V =Other	W =Estimated		

Name of Person Reporting	Date of Report
WATSON, DERRICK K.	01/03/2013

VIII. ADDITIONAL INFORMATION OR EXPLANATIONS. *(Indicate part of report.)*

Name of Person Reporting	Date of Report
WATSON, DERRICK K.	01/03/2013

IX. CERTIFICATION.

I certify that all information given above (including information pertaining to my spouse and minor or dependent children, if any) is accurate, true, and complete to the best of my knowledge and belief, and that any information not reported was withheld because it met applicable statutory provisions permitting non-disclosure.

I further certify that earned income from outside employment and honoraria and the acceptance of gifts which have been reported are in compliance with the provisions of 5 U.S.C. app. § 501 et. seq., 5 U.S.C. § 7353, and Judicial Conference regulations.

Signature: s/ DERRICK K. WATSON

NOTE: ANY INDIVIDUAL WHO KNOWINGLY AND WILLFULLY FALSIFIES OR FAILS TO FILE THIS REPORT MAY BE SUBJECT TO CIVIL AND CRIMINAL SANCTIONS (5 U.S.C. app. § 104)

Committee on Financial Disclosure
Administrative Office of the United States Courts
Suite 2-301
One Columbus Circle, N.E.
Washington, D.C. 20544

FINANCIAL STATEMENT

NET WORTH

Provide a complete, current financial net worth statement which itemizes in detail all assets (including bank accounts, real estate, securities, trusts, investments, and other financial holdings) all liabilities (including debts, mortgages, loans, and other financial obligations) of yourself, your spouse, and other immediate members of your household.

ASSETS				LIABILITIES			
Cash on hand and in banks		12	644	Notes payable to banks-secured			
U.S. Government securities – see schedule		8	925	Notes payable to banks-unsecured		44	500
Listed securities – see schedule		500	450	Notes payable to relatives			
Unlisted securities--add schedule				Notes payable to others			
Accounts and notes receivable:				Accounts and bills due			
Due from relatives and friends				Unpaid income tax			
Due from others				Other unpaid income and interest			
Doubtful				Real estate mortgages payable – personal residence	1	006	138
Real estate owned-add schedule	1	365	000	Chattel mortgages and other liens payable			
Real estate mortgages receivable				Other debts-itemize:			
Autos and other personal property		87	000	Thrift Savings Plan loans		63	130
Cash value-life insurance							
Other assets itemize:							
Thrift Savings Plan		167	498				
				Total liabilities	1	113	768
				Net Worth	1	027	749
Total Assets	2	141	517	Total liabilities and net worth	2	141	517
CONTINGENT LIABILITIES				GENERAL INFORMATION			
As endorser, comaker or guarantor				Are any assets pledged? (Add schedule)	No		
On leases or contracts				Are you defendant in any suits or legal actions?	No		
Legal Claims				Have you ever taken bankruptcy?	No		
Provision for Federal Income Tax							
Other special debt							

FINANCIAL STATEMENT

NET WORTH SCHEDULES

U.S. Government Securities	
Series E Bonds	$ 50
Series EE Bonds	8,875
Total U.S. Government Securities	$ 8,925

Listed Securities	
AMR Corporation stock	$ 32
Clean Energy Fuels Corporation stock	1,306
First Trust ISE-Revere Natural Gas Index Fund	7,990
General Electric Company stock	21,785
Greater China Fund Inc.	2,540
Fidelity Blue Chip Value Fund	41,466
Fidelity Cash Reserves	300
Fidelity Equity Income Fund	39,785
Fidelity Fifty	33,097
Fidelity Independence Fund	39,976
Fidelity International Discovery Fund	15,207
Fidelity Investment Grade Bond Fund	33,655
Fidelity New Millennium Fund	36,367
Fidelity Stock Selector Small Cap Fund	15,179
Fidelity Total Bond Fund	84,855
Fidelity Value Strategies Fund	33,850
Freeport McMoRan Copper & Gold	3,255
Guggenheim ABC High Dividend ETF	3,790
Hawaiian Electric Industries Inc.	2,544
Market Vectors Rare Earth/Strategic Metals ETF	3,853
Navistar International Corp.	9,300
Prime Money Market RBC Reserve	20,364
ScholarShare 529 Plan Age-Based Portfolio 0-4	12,491
ScholarShare 529 Plan Age-Based Portfolio 5-8	33,119
WisdomTree India Earnings Fund ETF	3,814
Xerox Corporation stock	530
Total Listed Securities	$ 500,450

Real Estate Owned	
Personal residence	$ 1,350,000
Time share	30,000
Total Real Estate Owned	$ 1,380,000