



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

2009

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

For calendar year 2009, or tax year beginning

, and ending

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☒ Address change☐ Name changeUse the IRS
label
Otherwise,
print
or type.
See Specific
Instructions.

Name of foundation

THADDEUS H. WATERMAN TRUST U/W

REGIONS BANK, TRUSTEE

#1255000704

Number and street (or P O box number if mail is not delivered to street address)

P. O. DRAWER 1628

Room/suite

City or town, state, and ZIP code

MOBILE, AL 36633-1628

A Employer identification number

63-6110169

B Telephone number

(251) 690-1411

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 ☐

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)

\$ 953,172. (Part I, column (d) must be on cash basis.)

J Accounting method:

☒ Cash☐ Accrual☐ Other (specify)

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not
necessarily equal the amounts in column (a))(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 ☒ if the foundation is not required to attach Sch B3 Interest on savings and temporary
cash investments

4 Dividends and interest from securities

34,366.

34,366.

STATEMENT 1

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

1,161.

b Gross sales price for all
assets on line 6a 1,129,037.

7 Capital gain net income (from Part IV, line 2)

1,161.

8 Net short-term capital gain

9 Income modifications

10a Gross sales less returns
and allowances

b Less Cost of goods sold

c Gross profit or (loss)

11 Other income

755.

0.

STATEMENT 2

12 Total. Add lines 1 through 11

36,282.

35,527.

13 Compensation of officers, directors, trustees, etc

10,130.

10,130.

0.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

b Accounting fees

STMT 3

950.

0.

950.

c Other professional fees

17 Interest

18 Taxes

STMT 4

36.

36.

0.

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses

24 Total operating and administrative
expenses. Add lines 13 through 23

11,116.

10,166.

950.

25 Contributions, gifts, grants paid

43,667.

43,667.

26 Total expenses and disbursements.

Add lines 24 and 25

54,783.

10,166.

44,617.

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

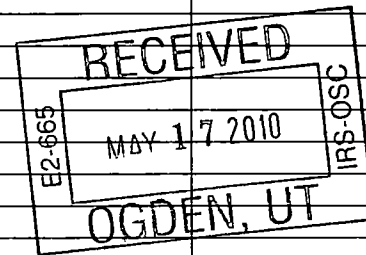
<18,501.>

b Net investment income (if negative, enter -0-)

25,361.

c Adjusted net income (if negative, enter -0-)

N/A

SCANNED MAY 18 2010
Revenue
Operating and Administrative Expenses

3

**THADDEUS H. WATERMAN TRUST U/W
REGIONS BANK, TRUSTEE**

#1255000704

63-6110169

Page 2

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments		233,143.	10,325.	10,325.
	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				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations STMT 5		248,427.	125,735.	124,602.
	b	Investments - corporate stock STMT 6		4,085.	4,085.	7,255.
	c	Investments - corporate bonds STMT 7		312,204.	654,630.	669,188.
11	Investments - land, buildings, and equipment, basis ▶					
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other STMT 8		141,292.	125,791.	141,802.	
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers)		939,151.	920,566.	953,172.	
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		939,151.	920,566.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
29	Retained earnings, accumulated income, endowment, or other funds		0.	0.		
30	Total net assets or fund balances		939,151.	920,566.		
31	Total liabilities and net assets/fund balances		939,151.	920,566.		

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	939,151.
2	Enter amount from Part I, line 27a	2	<18,501.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	920,650.
5	Decreases not included in line 2 (itemize) ▶ TIMING DIFFERENCES BOOK AND TAX	5	84.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	920,566.

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 REGIONS BANK SCHEDULE ATTACHED	P	VARIOUS	/ / 09
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 1,129,037.		1,127,876.	1,161.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			1,161.
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	1,161.
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	N/A

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 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))
2008	54,502.	971,816.	.056083
2007	37,595.	974,728.	.038570
2006	39,026.	961,609.	.040584
2005	36,201.	972,900.	.037209
2004	37,596.	986,448.	.038113

2 Total of line 1, column (d)	2	.210559
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	.042112
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	936,982.
5 Multiply line 4 by line 3	5	39,458.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	254.
7 Add lines 5 and 6	7	39,712.
8 Enter qualifying distributions from Part XII, line 4	8	44,617.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	254.
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	254.
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	254.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	360.	
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	360.	
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	106.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input checked="" type="checkbox"/> 106. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
1c 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 checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a 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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> AL		
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? If "No," attach explanation	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		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 acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► REGIONS BANK TRUST DEPARTMENT Telephone no. ► (251) 690-1416 Located at ► 11 NORTH WATER ST., 28TH FL, MOBILE, AL ZIP+4 ► 36602			
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		N/A

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 page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	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 2009?		1c
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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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.)	N/A	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. ►		
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 2009 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 2009.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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 2009?		4b

Form **990-PF** (2009)

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)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ 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

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

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
REGIONS BANK TRUST DEPARTMENT	TRUSTEE			
P.O. DRAWER 1628				
MOBILE, AL 36633-1628	0.25	10,130.	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

Form 990-PF (2009)

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."

[illegible]

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	N/A	
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	N/A	
2		
All other program-related investments. See instructions.		
3		

Total. Add lines 1 through 3

0.

Form **990-PF** (2009)

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	849,572.
b	Average of monthly cash balances	1b	101,679.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	951,251.
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	951,251.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	14,269.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	936,982.
6	Minimum investment return. Enter 5% of line 5	6	46,849.

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	46,849.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	254.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	254.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	46,595.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	46,595.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	46,595.

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	44,617.
b	Program-related investments - total from Part IX-B	1b	0.
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	44,617.
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	254.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	44,363.

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.

Form 990-PF (2009)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				46,595.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			43,666.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 44,617.				
a Applied to 2008, but not more than line 2a			43,666.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				951.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				45,644.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

N/A

- b** Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(j)(3) or ☐ 4942(j)(5)

- b 85% of line 2a**

- d** Amounts included in line 2c not used directly for active conduct of exempt activities

- Subtract line 2d from line 2c

- a "Assets" alternative test - enter:
(1) Value of all assets

- (2) Value of assets qualifying under section 4942(j)(3)(B)(i)**

- b "Endowment" alternative test** - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

- c "Support" alternative test - enter:**

- (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

- (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)

- (3) Largest amount of support from an exempt organization**

- (4) Gross investment income**

[illegible]

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 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:

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				
MOBILE MENTAL HEALTH CENTER 2400 GORDON SMITH DR. MOBILE, AL 36617		PUBLIC	FOR PURPOSES DESIGNATED BY BOARD OF TRUSTEES	10,917.
UNIVERSITY OF SOUTH ALABAMA 307 UNIVERSITY BLVD. MOBILE, AL 36688		PUBLIC	FOR PROVIDING SCHOLARSHIPS	32,750.
Total			► 3a	43,667.
b Approved for future payment				
NONE				
Total			► 3b	0.

Part XVII

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting foundation to a noncharitable exempt organization of:

(1) Cash

1a(1)	X
-------	---

(2) Other assets

1a(2)	X
-------	---

b Other transactions:

(1) Sales of assets to a noncharitable exempt organization.

1b(1)	X
-------	---

(2) Purchases of assets from a noncharitable exempt organization

1b(2)		X
-------	--	---

(3) Rental of facilities, equipment, or other assets

1b(3)	X
-------	---

(4) Reimbursement arrangements

1b(4)		X
-------	--	---

(5) Loans or loan guarantees

1b(5)		X
-------	--	---

(6) Performance of services or membership or fundraising solicitations

1b(6)		X
-------	--	---

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Vice President and Trust Officer

Sign Here

Signature of officer or trustee

Date _____

→ Title

Preparer's
signature

Firm's name (or yours if self-employed), address, and ZIP code

SMITH DUKES & BUCKALEW LLP
3800 AIRPORT BLVD
MOBILE, AL 36608-1667

Date _____

5/9/10

Check if self-employed	
------------------------	--

Preparer's identifying number	
-------------------------------	--

FIN ▶

Phone no. (251) 343-1200

Form **990-PF** (2009)

ACCT H705 1255000704
FROM 01/01/2009
TO 12/31/2009

REGIONS BANK, TRUST DEPARTMENT
STATEMENT OF CAPITAL GAINS AND LOSSES
THADDEUS H WATERMAN TRUST U/W

PAGE 67

RUN 02/09/2010
05:54 21 PM

TRUST YEAR ENDING 12/31/2009

TAX PREPARER 6000
TRUST ADMINISTRATOR 738
INVESTMENT OFFICER 91

LEGEND: F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
7000.0000 ALABAMA POWER CO SERIES 07-D DTD 12/12/ - 010392EYO - MINOR = 45						
SOLD		07/07/2009	7478 45			
ACQ 7000 0000		02/11/2009	7478 45	7290 36	188.09	ST
932 0910 AMERICAN CENTURY LARGE CO VALUE FD INV C - 025076795 - MINOR = 62						
SOLD		11/06/2009	4595 21			
ACQ 932 0910		01/10/2007	4595 21	7000.00	-2404.79	LT15
25000.0000 BANK OF AMERICA CORP 5 375% 06/15/2014 - 060505BM5 - MINOR = 45						
SOLD		02/05/2009	22375 00			
ACQ 25000 0000		03/07/2006	22375 00	24976 25	-2601 25	LT15
7000 0000 CREDIT SUISSE FB USA 4 875% 08/15/2010 - 22541LBH5 - MINOR = 45						
SOLD		02/27/2009	7004 83			
ACQ 7000 0000		02/05/2009	7004 83	7089 56	-84 73	ST
8000 0000 CREDIT SUISSE FB USA 4 875% 08/15/2010 - 22541LBH5 - MINOR = 45						
SOLD		07/07/2009	8271 12			
ACQ 8000 0000		02/05/2009	8271 12	8077 93	193 19	ST
7000 0000 DEERE JOHN CAPITAL CORP SERIES MTN DTD 12/17/07 4 95% 12/17/2012 - 24422EQM4 - MINOR = 45						
SOLD		05/27/2009	7226 03			
ACQ 7000 0000		02/09/2009	7226 03	7220 27	5 76	ST
1000 0000 JOHN DEERE CAPITAL CORP INSD FDIC DTD 12/19/08 2.875% 06/19/2012 - 24424DAA7 - MINOR = 30						
SOLD		12/14/2009	1036 89			
ACQ 1000 0000		11/09/2009	1036 89	1035 94	0 95	ST
9000 0000 WALT DISNEY CO DTD 12/22/08 4.5% 12/15/2 - 254687AW6 - MINOR = 45						
SOLD		08/12/2009	9463 50			
ACQ 7000.0000		02/05/2009	7360 50	7248.51	111 99	ST
2000 0000		07/07/2009	2103 00	2102.68	0 32	ST
8000.0000 DOMINION RES INC VA NEW SERIES C 5 15% - 25746UAW9 - MINOR = 45						
SOLD		07/01/2009	8165 60			
ACQ 8000 0000		02/26/2009	8165 60	7728 72	436.88	ST
1818 1820 EATON VANCE LARGE-CAP VAL-I - 277905642 - MINOR = 62						
SOLD		11/06/2009	29454 55			
ACQ 1818.1820		06/17/2009	29454 55	25000 00	4454.55	ST
1229.1800 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		03/16/2009	1229 18			
ACQ 1229 1800		02/05/2009	1229 18	1269 13	-39 95	ST
1219 1000 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		04/15/2009	1219 10			
ACQ 1219 1000		02/05/2009	1219.10	1258 72	-39 62	ST
982 9600 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		05/15/2009	982.96			
ACQ 982 9600		02/05/2009	982.96	1014 91	-31 95	ST
967 3800 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		06/15/2009	967.38			
ACQ 967 3800		02/05/2009	967.38	998 82	-31.44	ST
978 1500 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		07/15/2009	978 15			
ACQ 978.1500		02/05/2009	978 15	1009 94	-31.79	ST
860 7700 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		08/17/2009	860 77			
ACQ 860 7700		02/05/2009	860 77	888 75	-27 98	ST
655 1600 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		09/15/2009	655 16			
ACQ 655 1600		02/05/2009	655 16	676 45	-21 29	ST
476 3800 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		10/15/2009	476 38			
ACQ 476 3800		02/05/2009	476 38	491 86	-15 48	ST
534 9900 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		11/16/2009	534 99			
ACQ 534 9900		02/05/2009	534 99	552 38	-17.39	ST
477 8200 FEDERAL HOME LOAN MTG CORP POOL #G02384 - 3128LXUHI - MINOR = 35						
SOLD		12/15/2009	477.82			
ACQ 477 8200		02/05/2009	477 82	493 35	-15 53	ST
4498 1000 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		03/16/2009	4498 10			
ACQ 4498 1000		02/05/2009	4498 10	4605.63	-107 53	ST
2983 1100 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		04/15/2009	2983 11			
ACQ 2983.1100		02/05/2009	2983 11	3054 43	-71 32	ST
3170 8200 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		05/15/2009	3170 82			
ACQ 3170 8200		02/05/2009	3170 82	3246 62	-75 80	ST
3346 3300 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		06/15/2009	3346 33			
ACQ 3346.3300		02/05/2009	3346 33	3426 33	-80 00	ST
2788 2400 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		07/15/2009	2788 24			
ACQ 2788 2400		02/05/2009	2788 24	2854.90	-66 66	ST
2160 7600 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		08/17/2009	2160.76			
ACQ 2160 7600		02/05/2009	2160.76	2212 42	-51 66	ST
1826 8700 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		09/15/2009	1826 87			
ACQ 1826 8700		02/05/2009	1826 87	1870 54	-43 67	ST
1414 4600 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		10/15/2009	1414 46			
ACQ 1414 4600		02/05/2009	1414 46	1448 27	-33 81	ST

ACCT H705 1255000704
FROM 01/01/2009
TO 12/31/2009

REGIONS BANK, TRUST DEPARTMENT
STATEMENT OF CAPITAL GAINS AND LOSSES
THADDEUS H WATERMAN TRUST U/W

PAGE 68

RUN 02/09/2010
05 54 21 PM

TRUST YEAR ENDING 12/31/2009

TAX PREPARER 6000
TRUST ADMINISTRATOR 738
INVESTMENT OFFICER 91

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
2138 2200 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		11/16/2009	2138.22			
ACQ	2138 2200	02/05/2009	2138.22	2189.34	-51.12	ST
2456.0800 FEDERAL HOME LOAN MTG CORP POOL #G13076 - 3128MBT98 - MINOR = 35						
SOLD		12/15/2009	2456.08			
ACQ	2456 0800	02/05/2009	2456.08	2514.80	-58.72	ST
25000.0000 FEDERAL HOME LOAN BANK 5.125% 08/14/20 - 3133XGVF8 - MINOR = 30						
SOLD		02/04/2009	27509.77			
ACQ	25000 0000	06/01/2007	27509.77	24822.75	2687.02	LT15
50000 0000 FEDERAL HOME LOAN BANK 5.5% 08/13/2014 - 3133XLJP9 - MINOR = 30						
SOLD		02/04/2009	56234.40			
ACQ	50000 0000	07/06/2007	56234.40	49831.00	6403.40	LT15
1000 0000 FEDERAL HOME LOAN MORTGAGE CORP 5.75% DTD 1/14/02 DUE 1/15/2012 - 3134A4JT2 - MINOR = 30						
SOLD		12/14/2009	1096.62			
ACQ	1000 0000	11/09/2009	1096.62	1094.50	2.12	ST
50000 0000 FEDERAL HOME LOAN MORTGAGE CORP 4.875% - 3134A4UK8 - MINOR = 30						
SOLD		02/04/2009	54837.90			
ACQ	50000 0000	12/07/2005	54837.90	49886.60	4951.30	LT15
50000 0000 FEDERAL NATIONAL MORTGAGE ASSN 5.125% - 31359MM26 - MINOR = 30						
SOLD		02/05/2009	53527.50			
ACQ	25000.0000	05/23/2006	26763.75	24834.50	1929.25	LT15
	25000 0000	07/23/2007	26763.75	24906.75	1857.00	LT15
724.1400 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		03/25/2009	724.14			
ACQ	724 1400	02/05/2009	724.14	741.79	-17.65	ST
660 3200 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		04/27/2009	660.32			
ACQ	660 3200	02/05/2009	660.32	676.42	-16.10	ST
487 6400 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		05/26/2009	487.64			
ACQ	487 6400	02/05/2009	487.64	499.53	-11.89	ST
886 1600 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		06/25/2009	886.16			
ACQ	886.1600	02/05/2009	886.16	907.76	-21.60	ST
572 1000 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		07/27/2009	572.10			
ACQ	572.1000	02/05/2009	572.10	586.04	-13.94	ST
370 5600 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		08/25/2009	370.56			
ACQ	370.5600	02/05/2009	370.56	379.59	-9.03	ST
486 4900 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		09/25/2009	486.49			
ACQ	486.4900	02/05/2009	486.49	498.35	-11.86	ST
320 9700 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		10/26/2009	320.97			
ACQ	320.9700	02/05/2009	320.97	328.79	-7.82	ST
477 9500 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		11/25/2009	477.95			
ACQ	477 9500	02/05/2009	477.95	489.60	-11.65	ST
339.7600 FEDERAL NATIONAL MORTGAGE ASSN POOL #257234 DTD 05/01/08 5% 06/01/2023 - 31371NV36 - MINOR = 35						
SOLD		12/28/2009	339.76			
ACQ	339 7600	02/05/2009	339.76	348.04	-8.28	ST
1620 6600 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		03/25/2009	1620.66			
ACQ	1620 6600	02/05/2009	1620.66	1659.40	-38.74	ST
1412.0400 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		04/27/2009	1412.04			
ACQ	1412 0400	02/05/2009	1412.04	1445.80	-33.76	ST
1382.0400 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		05/26/2009	1382.04			
ACQ	1382 0400	02/05/2009	1382.04	1415.08	-33.04	ST
1222 8600 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		06/25/2009	1222.86			
ACQ	1222.8600	02/05/2009	1222.86	1252.09	-29.23	ST
1045.7900 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		07/27/2009	1045.79			
ACQ	1045 7900	02/05/2009	1045.79	1070.79	-25.00	ST
910.7600 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		08/25/2009	910.76			
ACQ	910 7600	02/05/2009	910.76	932.53	-21.77	ST
406.1400 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		09/25/2009	406.14			
ACQ	406.1400	02/05/2009	406.14	415.85	-9.71	ST
573.8800 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		10/26/2009	573.88			
ACQ	573 8800	02/05/2009	573.88	587.60	-13.72	ST
493 1200 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		11/25/2009	493.12			
ACQ	493.1200	02/05/2009	493.12	504.91	-11.79	ST
36953 0700 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		12/14/2009	39233.76			
ACQ	36953 0700	02/05/2009	39233.76	37836.48	1397.28	ST
868 2000 FEDERAL NATIONAL MTG ASSN POOL #357727 - 31376KLG9 - MINOR = 35						
SOLD		12/28/2009	868.20			
ACQ	868 2000	02/05/2009	868.20	888.96	-20.76	ST

ACCT H705 1255000704
FROM 01/01/2009
TO 12/31/2009

REGIONS BANK, TRUST DEPARTMENT
STATEMENT OF CAPITAL GAINS AND LOSSES
THADDEUS H WATERMAN TRUST U/W

PAGE 69

RUN 02/09/2010
05 54:21 PM

TRUST YEAR ENDING 12/31/2009

TAX PREPARER 6000
TRUST ADMINISTRATOR 738
INVESTMENT OFFICER 91

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
1000 0000 FEDERAL NATIONAL MORTGAGE ASSN DTD 03/07/08 2 75% 04/11/2011 - 31398APG1 - MINOR = 30						
SOLD		12/14/2009	1028.19			
ACQ	1000 0000	11/09/2009	1028.19	1028.12	0.07	ST
229 7100 FEDERAL NATIONAL MORTGAGE ASSN POOL #735516 DTD 04/01/05 5% 02/01/2020 - 31402RDV8 - MINOR = 35						
SOLD		12/28/2009	229 71			
ACQ	229 7100	11/09/2009	229 71	244 43	-14 72	ST
351.1600 FEDERAL NATL MTG ASSN POOL #878201 DTD 09/01/06 6% 09/01/2036 - 31409TU22 - MINOR = 35						
SOLD		12/28/2009	351 16			
ACQ	351 1600	11/09/2009	351 16	376 07	-24.91	ST
4112 4600 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		03/25/2009	4112 46			
ACQ	4112.4600	02/05/2009	4112 46	4255.11	-142.65	ST
3634 9800 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		04/27/2009	3634 98			
ACQ	3634 9800	02/05/2009	3634 98	3761.07	-126.09	ST
2888 4500 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		05/26/2009	2888 45			
ACQ	2888 4500	02/05/2009	2888 45	2988 64	-100.19	ST
2503 7400 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		06/25/2009	2503 74			
ACQ	2503 7400	02/05/2009	2503 74	2590 59	-86.85	ST
2876 1400 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		07/27/2009	2876 14			
ACQ	2876.1400	02/05/2009	2876 14	2975 91	-99 77	ST
2809 6300 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		08/25/2009	2809 63			
ACQ	2809.6300	02/05/2009	2809 63	2907 09	-97 46	ST
1869 6200 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		09/25/2009	1869 62			
ACQ	1869 6200	02/05/2009	1869 62	1934 47	-64 85	ST
2753.1300 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		10/26/2009	2753 13			
ACQ	2753.1300	02/05/2009	2753 13	2848 63	-95.50	ST
1930.7300 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		11/25/2009	1930 73			
ACQ	1930 7300	02/05/2009	1930 73	1997.70	-66.97	ST
1612 4700 FEDERAL NATIONAL MORTGAGE ASSN POOL #889 - 31410KDU5 - MINOR = 35						
SOLD		12/28/2009	1612 47			
ACQ	1612 4700	02/05/2009	1612 47	1668.40	-55.93	ST
224 4670 FIDELITY ADVISOR SER III EQUITY INCOME F - 315808402 - MINOR = 62						
SOLD		06/17/2009	3753.09			
ACQ	224 4670	06/08/2004	3753 09	6000.00	-2246.91	LT15
1000.0000 GENERAL ELECTRIC CO 5% 02/01/2013 - 369604AY9 - MINOR = 45						
SOLD		12/14/2009	1066 84			
ACQ	1000 0000	11/09/2009	1066 84	1065.72	1 12	ST
20000 0000 GENERAL ELECTRIC CAPITAL CORP SER MTNA 4 - 36962GE75 - MINOR = 45						
SOLD		02/05/2009	20109 60			
ACQ	20000.0000	06/22/2004	20109 60	19811 89	297 71	LT15
CHANGED 08/17/09 MDL						
25000 0000 GOLDMAN SACHS GROUP INC 5 25% 04/01/20 - 38141GDB7 - MINOR = 45						
SOLD		02/05/2009	24018 75			
ACQ	25000 0000	03/07/2006	24018 75	24568.75	-550 00	LT15
9000 0000 HEWLETT-PACKARD CO DTD 03/03/08 4 5% 03/ - 428236AQ6 - MINOR = 45						
SOLD		09/11/2009	9573 03			
ACQ	7000 0000	02/09/2009	7445 69	7275.32	170 37	ST
	2000 0000	07/07/2009	2127 34	2095.36	31 98	ST
25000 0000 LEHMAN BROS HLDGS INC SERIES MTN 5 25% - 52517PR60 - MINOR = 45						
SOLD		02/05/2009	3742 50			
ACQ	25000 0000	05/16/2007	3742.50	24972.50	-21230 00	LT15
20000 0000 MORGAN STANLEY CALLABLE 4 25% 05/15/2010 - 61744AAN0 - MINOR = 45						
SOLD		02/05/2009	19760 00			
ACQ	20000 0000	06/22/2004	19760 00	19321 00	439 00	LT15
39 4180 PIONEER MID CAP VALUE FUND CLASS Y PD #0 - 72375Q405 - MINOR = 62						
SOLD		12/08/2009	726 48			
ACQ	39 4180	06/08/2004	726 48	1000 00	-273 52	LT15
61 1270 PIONEER SELECT MID CAP GROWTH Y - 72387T793 - MINOR = 62						
SOLD		12/08/2009	872 89			
ACQ	61 1270	06/08/2004	872 89	1000 00	-127 11	LT15
571 4290 PIONEER GROWTH FUND Y - 72387T868 - MINOR = 62						
SOLD		12/08/2009	9908 57			
ACQ	571 4290	12/27/1996	9908 57	9109 22	799 35	LT15
9000.0000 PROCTER & GAMBLE CO MAKE WHOLE 4 6% 01/1 - 742718DL0 - MINOR = 45						
SOLD		09/11/2009	9693 00			
ACQ	7000 0000	02/05/2009	7539 00	7368.69	170.31	ST
	2000 0000	07/07/2009	2154 00	2124.08	29 92	ST
8297 1890 REGIONS FDS FIXED INCM TR - 75913Q803 - MINOR = 61						
SOLD		02/05/2009	73015 26			
ACQ	8297 1890	03/27/1995	73015 26	83892 18	-10876 92	LT15
8000 0000 TARGET CORP CALLABLE 5 375% 05/01/2017 - 87612EAP1 - MINOR = 45						
SOLD		07/23/2009	8211 52			
ACQ	7000 0000	02/09/2009	7185 08	6830 60	354.48	ST
	1000 0000	07/07/2009	1026 44	1036 43	-9 99	ST
50000 0000 UNITED STATES TREASURY NOTE 5 50% DTD 5/15/99 DUE 5/15/2009 - 9128275G3 - MINOR = 30						
SOLD		02/04/2009	50699 22			
ACQ	50000 0000	05/11/2001	50699 22	50027 51	671 71	LT15

ACCT H705 1255000704
FROM 01/01/2009
TO 12/31/2009

REGIONS BANK, TRUST DEPARTMENT
STATEMENT OF CAPITAL GAINS AND LOSSES
THADDEUS H WATERMAN TRUST U/W

PAGE 70

RUN 02/09/2010
05 54 21 PM

TRUST YEAR ENDING 12/31/2009

TAX PREPARER 6000
TRUST ADMINISTRATOR- 738
INVESTMENT OFFICER 91

LEGEND F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
2000 0000 UNITED STATES TREASURY NOTE 5 00% DTD 2/15/01 DUE 2/15/2011 - 9128276T4 - MINOR = 30						
SOLD		12/14/2009	2105 78			
ACQ 1000 0000	1000 0000	02/05/2009	1052 89	1037 46	15.43	ST
ACQ 1000 0000	1000 0000	07/07/2009	1052 89	1046.54	6 35	ST
50000 0000 UNITED STATES TREAS NTS 4.375% DTD 8/15/02 DUE 8/15/2012 - 912828AJ9 - MINOR = 30						
SOLD		02/04/2009	55015 63			
ACQ 50000 0000	50000 0000	05/07/2004	55015 63	49620.41	5395.22	LT15
CHANGED 08/14/09 MDL						
11000 0000 UNITED STATES TREASURY N/B 4.25% 11/15/2 - 912828BR0 - MINOR = 30						
SOLD		11/09/2009	12019 22			
ACQ 10000 0000	10000 0000	02/05/2009	10926 56	11015.21	-88 65	ST
ACQ 1000 0000	1000 0000	07/07/2009	1092 66	1081 35	11.31	ST
50000.0000 UNITED STATES TREASURY 3 875% 05/15/20 - 912828CH1 - MINOR = 30						
SOLD		02/04/2009	50474 61			
ACQ 50000 0000	50000 0000	05/13/2004	50474 61	49742.19	732 42	LT15
50000 0000 UNITED STATES TREASURY 4 75% 05/15/201 - 912828CJ7 - MINOR = 30						
SOLD		02/04/2009	57208 98			
ACQ 50000 0000	50000 0000	03/07/2006	57208 98	49841 80	7367 18	LT15
8000 0000 UNITED STATES TREASURY 3 5% 02/15/2010 - 912828DL1 - MINOR = 30						
SOLD		06/10/2009	8164.37			
ACQ 8000.0000	8000.0000	02/05/2009	8164.37	8157 79	6.58	ST
45000 0000 UNITED STATES TREASURY 3 5% 02/15/2010 - 912828DL1 - MINOR = 30						
SOLD		07/07/2009	45840 23			
ACQ 29000 0000	29000 0000	02/05/2009	29541 48	29510.36	31.12	ST
ACQ 16000 0000	16000 0000	06/26/2009	16298 75	16304 96	-6 21	ST
52000.0000 UNITED STATES TREASURY 3 5% 02/15/2010 - 912828DL1 - MINOR = 30						
SOLD		11/09/2009	52452 97			
ACQ 34000 0000	34000 0000	06/26/2009	34296 17	34531.83	-235.66	ST
ACQ 17000.0000	17000.0000	10/06/2009	17148 09	17203 20	-55 11	ST
ACQ 1000.0000	1000.0000	11/02/2009	1008 71	1000 00	8 71	ST
49000.0000 UNITED STATES TREASURY 3 5% 02/15/2010 - 912828DL1 - MINOR = 30						
SOLD		12/11/2009	49285 20			
ACQ 49000 0000	49000 0000	11/02/2009	49285.20	49472 77	-187 57	ST
50000 0000 UNITED STATES TREASURY DTD 02/28/06 4.5% - 912828EX4 - MINOR = 30						
SOLD		02/04/2009	53656.25			
ACQ 50000.0000	50000.0000	02/24/2006	53656.25	49705 08	3951 17	LT15
15000 0000 UNITED STATES TREASURY 4 875% 05/15/20 - 912828FE5 - MINOR = 30						
SOLD		05/07/2009	15012 89			
ACQ 15000 0000	15000 0000	02/05/2009	15012 89	15176.37	-163 48	ST
17000 0000 UNITED STATES TREASURY DTD 10/31/07 3 62 - 912828HF0 - MINOR = 30						
SOLD		10/05/2009	17040.51			
ACQ 15000 0000	15000 0000	05/07/2009	15035.74	15231 44	-195.70	ST
ACQ 2000 0000	2000 0000	07/07/2009	2004.77	2000 00	4.77	ST
8000 0000 UNITED STATES TREASURY N/B DTD 05/15/08 - 912828HZ6 - MINOR = 30						
SOLD		10/27/2009	8286 56			
ACQ 8000 0000	8000 0000	02/05/2009	8286 56	8597 37	-310 81	ST
25000 0000 UNITED STATES TREASURY N/B DTD 05/15/08 - 912828HZ6 - MINOR = 30						
SOLD		11/09/2009	25984 37			
ACQ 13000 0000	13000 0000	02/05/2009	13511.87	13967 19	-455.32	ST
ACQ 8000 0000	8000 0000	06/10/2009	8315 00	7990 00	325 00	ST
ACQ 4000.0000	4000.0000	07/07/2009	4157 50	4126 45	31 05	ST
25000 0000 WELLS FARGO & CO 5 125% 09/01/2012 - 949746CL3 - MINOR = 45						
SOLD		02/05/2009	24800.75			
ACQ 25000 0000	25000 0000	03/07/2006	24800 75	24751 50	49 25	LT15
TOTALS			1129037 07	1127876.06		

SUMMARY OF CAPITAL GAINS/LOSSES

FEDERAL	SHORT TERM	LONG TERM 28%	LONG TERM 15%	ST WASH SALE	LT WASH SALE	1250 GAIN
SUBTOTAL FROM ABOVE	3940 53	0 00	-2779.52	0 00	0 00	0.00*
COMMON TRUST FUND	0 00	0.00	0 00			0.00
CAPITAL GAIN DIVIDENDS	0 00	0 00	0 00			0.00
	3940 53	0.00	-2779 52	0 00	0 00	0 00
STATE						
SUBTOTAL FROM ABOVE	3940 53	0 00	-2779 52	0 00	0 00	0.00*
COMMON TRUST FUND	0 00	0 00	0 00			0 00
CAPITAL GAIN DIVIDENDS	0 00	0 00	0 00			0 00
	3940 53	0 00	-2779 52	0 00	0 00	0 00

* - 1250 GAIN DETAILED ON TRANS PAGES, NOT ABOVE

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT	
CORPORATE DIVIDENDS	2,151.	0.	2,151.	
CORPORATE INTEREST	24,117.	0.	24,117.	
U.S. GOVERNMENT	8,098.	0.	8,098.	
TOTAL TO FM 990-PF, PART I, LN 4	34,366.	0.	34,366.	

FORM 990-PF	OTHER INCOME		STATEMENT	2
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	
EXCISE TAX REFUND	755.	0.		
TOTAL TO FORM 990-PF, PART I, LINE 11	755.	0.		

FORM 990-PF	ACCOUNTING FEES		STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX RETURN PREPARATION	950.	0.		950.
TO FORM 990-PF, PG 1, LN 16B	950.	0.		950.

FORM 990-PF	TAXES		STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	36.	36.		0.
TO FORM 990-PF, PG 1, LN 18	36.	36.		0.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS		STATEMENT	5
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
17,000 US T-NOTE 5% 05/01/2037	X		18,076.	17,816.
42,103 US TREASURY INFLATION INDEX BOND	X		42,825.	42,189.
56,000 US T-NOTE .75% 11/30/11	X		55,923.	55,635.
8,000 TVA 6.79% 05/23/2012	X		8,911.	8,962.
TOTAL U.S. GOVERNMENT OBLIGATIONS			125,735.	124,602.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			125,735.	124,602.

FORM 990-PF	CORPORATE STOCK		STATEMENT	6
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
CENTERPOINT ENERGY, INC.--500 SHARES			4,085.	7,255.
TOTAL TO FORM 990-PF, PART II, LINE 10B			4,085.	7,255.

FORM 990-PF	CORPORATE BONDS		STATEMENT	7
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
9,000 COMCAST CORP BOND			9,100.	9,442.
9,000 TARGET CORP BOND			8,890.	9,659.
9,000 KELLOGG CO BOND			9,340.	9,767.
9,000 MCDONALDS CORP BOND			9,583.	9,650.
7,000 PEPSICO INC BOND			8,601.	8,591.
9,000 BP CAPITAL MKTS BOND			9,626.	9,803.
8,000 HESS CORP BOND			9,536.	9,648.
9,000 PETROBRAS INTL BOND			9,021.	9,156.
8,000 TALISMAN ENERGY INC BOND			9,370.	9,395.
40,000 CITIGROUP INC BOND			40,769.	40,314.
17,000 CREDIT SUISSE BOND			17,901.	18,448.
23,000 GE CAP CORP BOND			23,015.	23,322.
9,000 GOLDMAN SACHS GROUP BOND			9,256.	9,844.
23,000 GOLDMAN SACHS GROUP BOND			22,949.	23,206.
18,000 HSBC FINANCE CORP BOND			18,001.	18,447.

8,000 MERRILL LYNCH INC BOND	7,971.	8,620.
18,000 MORGAN STANLEY BOND	17,988.	18,669.
9,000 WACHOVIA CORP BOND	8,893.	9,360.
9,000 ABBOTT LABS BOND	9,049.	9,414.
8,000 CATERPILLAR INC BOND	8,905.	9,759.
26,000 JOHN DEERE CAP CORP BOND	26,459.	26,792.
17,000 GENERAL ELECTRIC CO BOND	17,341.	17,985.
9,000 ORACLE CORP BOND	9,492.	9,731.
9,000 TIME WARNER CABLE BOND	9,873.	9,887.
21,043 FHLMC POOL	21,727.	22,371.
72,156 FHLMC POOL	73,881.	75,509.
27,242 FHLMC POOL	27,242.	27,219.
16,858 FNMA POOL	17,269.	17,636.
10,170 FNMA POOL	10,821.	10,702.
11,127 FNMA POOL	11,917.	11,820.
96,466 FNMA POOL	99,812.	102,465.
8,000 AT & T INC BOND	8,001.	8,384.
8,000 VERIZON COMMUN BOND	8,041.	8,624.
36,000 FNMA 2.75% 04/11/2011	36,624.	36,900.
8,000 DUKE ENERGY CORP BOND	8,366.	8,649.
TOTAL TO FORM 990-PF, PART II, LINE 10C	654,630.	669,188.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	8
-------------	-------------------	-----------	---

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ARTISAN SMALL CAP VALUE FD	COST	5,000.	6,443.
ARTISAN MID CAP VALUE FD	COST	5,000.	6,313.
BUFFALO SMALL CAP FD	COST	5,000.	5,866.
DODGE & COX #145 FD	COST	27,000.	28,047.
AMERICAN EUROPACIFIC GROWTH FD	COST	7,000.	8,651.
AMERICAN GROWTH FUND	COST	25,000.	30,013.
MUNDER M/C CORE GROWTH FD	COST	5,000.	6,210.
PIONEER GROWTH FUND	COST	14,091.	15,601.
PIONEER CULLEN VALUE FUND	COST	25,700.	26,224.
THORNBURG INTL VALUE FUND	COST	7,000.	8,434.
TOTAL TO FORM 990-PF, PART II, LINE 13		125,791.	141,802.