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

Department of the Treasury  
 Internal Revenue Service

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

For calendar year 2011 or tax year beginning

, and ending

Name of foundation: **THE PAUL D. WASSEROTT FOUNDATION**

Number and street (or P.O. box number if mail is not delivered to a real address): **PO BOX 349**

Room/suite: \_\_\_\_\_

City or town, state, and ZIP code: **WILKES BARRE, PA 18703**

A Employer identification number: **04-3729982**

B Telephone number: **570.696.4250**

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

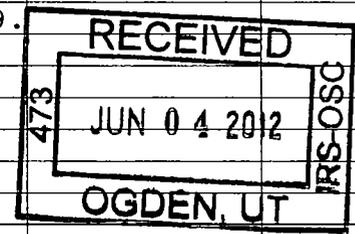
G Check all that apply:  Initial return,  Initial return of a former public charity,  Final return,  Amended return,  Address change,  Name change

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): **\$ 3,255,260.** (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)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	30,123.	25,812.		STATEMENT 1
	4 Dividends and interest from securities	65,163.	65,140.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	242,079.			
	b Gross sales price for all assets on line 6a	2,825,412.			
	7 Capital gain net income (from Part IV, line 2)		242,079.		
	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					
12 Total. Add lines 1 through 11	337,365.	333,031.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 3	490.	245.		245.
	b Accounting fees STMT 4	6,830.	3,415.		3,415.
	c Other professional fees STMT 5	800.	400.		400.
	17 Interest				
	18 Taxes STMT 6	3,035.	3,035.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 7	45,565.	45,565.		0.
	24 Total operating and administrative expenses. Add lines 13 through 23	56,720.	52,660.		4,060.
	25 Contributions, gifts, grants paid	174,000.			174,000.
26 Total expenses and disbursements. Add lines 24 and 25	230,720.	52,660.		178,060.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	106,645.				
b Net investment income (if negative enter -0-)		280,371.			
c Adjusted net income (if negative enter -0-)			N/A		



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Part II Balance Sheets		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	84,275.	152,818.	152,818.
	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			
	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 8	2,958,519.	2,996,621.	3,102,442.
14 Land, buildings, and equipment basis				
Less accumulated depreciation				
15 Other assets (describe )				
16 Total assets (to be completed by all filers)		3,042,794.	3,149,439.	3,255,260.
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"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/>			
	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		3,042,794.	3,149,439.	
30 Total net assets or fund balances		3,042,794.	3,149,439.	
31 Total liabilities and net assets/fund balances		3,042,794.	3,149,439.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	3,042,794.
2 Enter amount from Part I, line 27a	2	106,645.
3 Other increases not included in line 2 (itemize)	3	0.
4 Add lines 1, 2, and 3	4	3,149,439.
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	3,149,439.

**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 s/s MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b SEE ATTACHED STATEMENT				
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 2,825,412.		2,583,333.	242,079.	
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			242,079.	
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                 }		2 242,079.
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))
2010	176,135.	3,295,637.	.053445
2009	206,024.	3,054,463.	.067450
2008	220,892.	3,961,462.	.055760
2007	217,413.	4,644,568.	.046810
2006	195,637.	4,382,903.	.044636
2 Total of line 1, column (d)			2 .268101
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 .053620
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 3,494,234.
5 Multiply line 4 by line 3			5 187,361.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,804.
7 Add lines 5 and 6			7 190,165.
8 Enter qualifying distributions from Part XII line 4			8 178,060.

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 type="checkbox"/> and enter 1% of Part I line 27b	1	5,607.
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	5,607.
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	5,607.
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	2,867.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	6,000.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	8,867.
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	3,260.
11	Enter the amount of line 10 to be credited to 2012 estimated tax <input type="checkbox"/> 3,260. 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		X
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

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 N/A 13 X
14 The books are in care of PAUL D. WASSEROTT Telephone no 570.696.4250 Located at PO BOX 349, WILKES BARRE, PA ZIP+4 18703
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
16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country 16 Yes No X

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

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

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? Yes No X
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No X
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No X
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No X
(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)? Yes No X
(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) Yes No X
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 N/A
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 2011? 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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? Yes No X
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) N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No X
b If "Yes," did it have excess business holdings in 2011 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 2011) N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? 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 out 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 6b X

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  
 If "Yes," attach Form 8870 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 D. WASSEROTT, JR PO BOX 349 WILKES BARRE, PA 18703	PRESIDENT / TREASURER	0.00	0.	0.
MICHAEL MOLEWSKI 100 GATEWAY DRIVE, SUITE 300 LEHIGH VALLEY, PA 18002	SECRETARY	0.00	0.	0.
ELIZABETH F. WASSEROTT PO BOX 349 WILKES BARRE, PA 18703	VICE PRESIDENT	0.00	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 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.

**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	3,277,985.
b	Average of monthly cash balances	1b	269,461.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	3,547,446.
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	3,547,446.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	53,212.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,494,234.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	174,712.

**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	174,712.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	5,607.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	5,607.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	169,105.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	169,105.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	169,105.

**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	178,060.
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	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	178,060.
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	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	178,060.

**Note.** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				169,105.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			130,169.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ 178,060.				
a Applied to 2010, but not more than line 2a			130,169.	
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 2011 distributable amount				47,891.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (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:	0.			
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 2010. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				121,214.
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 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year		Prior 3 years		
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
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					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities					
3 Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
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					

**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 D. WASSEROTT, JR

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

**SEE STATEMENT 9**

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 Name and address (home or business)	If recipient is an individual show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a</b> Paid during the year				
AMERICAN RED CROSS 256 NORTH SHERMAN STREET WILKES BARRE, PA 18702	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	5,000.
FM KIRBY CENTER 71 PUBLIC SQUARE WILKES BARRE, PA 18701	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	5,000.
GEISINGER HEALTH SYSTEM FOUNDATION 100 N. ACADEMY AVENUE WILKES BARRE, PA 18701	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	100,000.
HEART TO HEART 32 CLARK ROAD BROOKLINE, MA 024456030	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	12,000.
KING'S COLLEGE 133 NORTH RIVER STREET WILKES BARRE, PA 18711	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	5,000.
<b>Total</b> SEE CONTINUATION SHEET(S)				174,000.
<b>b</b> Approved for future payment				
NONE				
<b>Total</b>				0.





Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
SALVATION ARMY 17 S PA AVE WILKES BARRE, PA 18703	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	10,000.
ST JOSEPH'S CENTER FOUNDATION 2010 ADAMS AVE SCRANTON, PA 18509	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	5,000.
ST VINCENT DE PAUL KITCHEN 39 EAST JACKSON STREET WILKES BARRE, PA 18701	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	7,000.
WVIA 100 WVIA WAY PITTSSTON, PA 18640	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	5,000.
WYOMING SEMINARY 201 N SPRAGUE AVENUE KINGSTON, PA 18704	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	10,000.
YMCA 40 NORTHAMPTON ST WILKES BARRE, PA 18701	NONE	PUBLIC	TO SUPPORT DONEE'S ACTIVIES	10,000.
Total from continuation sheets				47,000.

THE PAUL D. WASSEROTT FOUNDATION

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 PUB TRADED SECURITY FIDELITY INVEST #938459	P		
b PUB TRADED SECURITY FIDELITY INVEST #938459	P		
c PUB TRADED SECURITY FIDELITY INVEST #295329	P		
d PUB TRADED SECURITY FIDELITY INVEST #295329	P		
e PUB TRADED SECURITY FIDELITY INVEST #938424	P		
f PUB TRADED SECURITY FIDELITY INVEST #938424	P		
g			
h			
i			
j			
k			
l			
m			
n			
o			

(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 631,067.		622,885.	8,182.
b 885,251.		690,840.	194,411.
c 24,586.		18,815.	5,771.
d 139,315.		144,017.	-4,702.
e 803,092.		788,535.	14,557.
f 342,101.		318,241.	23,860.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			8,182.
b			194,411.
c			5,771.
d			-4,702.
e			14,557.
f			23,860.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	242,079.
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

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

SOURCE	AMOUNT
FIDELITY MONEY MARKET	30,123.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	30,123.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
FIDELITY MONEY MARKET	65,163.	0.	65,163.
TOTAL TO FM 990-PF, PART I, LN 4	65,163.	0.	65,163.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ATTORNEY FEES	490.	245.		245.
TO FM 990-PF, PG 1, LN 16A	490.	245.		245.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTANTS	6,830.	3,415.		3,415.
TO FORM 990-PF, PG 1, LN 16B	6,830.	3,415.		3,415.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	800.	400.		400.
TO FORM 990-PF, PG 1, LN 16C	800.	400.		400.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX PAID	3,035.	3,035.		0.
TO FORM 990-PF, PG 1, LN 18	3,035.	3,035.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	45,565.	45,565.		0.
TO FORM 990-PF, PG 1, LN 23	45,565.	45,565.		0.

FORM 990-PF	OTHER INVESTMENTS		STATEMENT 8
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SECURITIES	COST	2,996,621.	3,102,442.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,996,621.	3,102,442.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION  
PART XV, LINES 2A THROUGH 2D

STATEMENT 9

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

PAUL D. WASSEROTT, JR C/O MJ HUNTER  
PO BOX 349  
WILKES BARRE, PA 18703

TELEPHONE NUMBER

570.287.2176

FORM AND CONTENT OF APPLICATIONS

APPLICATIONS SHOULD BE SUBMITTED IN THE FORM OF A LETTER AND SHOULD CONTAIN A SPECIFIC PROPOSAL.

ANY SUBMISSION DEADLINES

APPLICATIONS ARE ACCEPTED AT ANY TIME.

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE MADE TO THOSE PUBLIC CHARITIES AND/OR PRIVATE OPERATING FOUNDATIONS DETERMINED BY THE BOARD OF DIRECTORS TO BE MOST DESERVING OF FINANCIAL SUPPORT.



**Investment Report**

December 1, 2011 - December 31, 2011

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THE PAUL D WASSEROTT FNDN  
PO BOX 349  
WILKES BARRE PA 18703-0349

**Your Advisor**  
MOLEWSKI FINANCIAL PARTNERS  
100 GATEWAY DR STE 300  
BETHLEHEM PA 18017-9431

**Brokerage 670-295329** THE PAUL D WASSEROTT FNDN  
Separate Account Manager: TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

**Account Summary**

Beginning value as of Dec 1	\$566,691.80	This Period	Year to Date
Other Tax Withheld	-138.51		
Transaction costs, loads and fees	-407.80	\$2,020.61	\$20,709.46
Change in investment value	-21,400.09	0.33	3.61
<b>Ending value as of Dec 31</b>	<b>\$544,745.40</b>	<b>\$2,020.94</b>	<b>\$20,713.07</b>

**Income Summary**

Taxable Dividends	\$2,020.61	This Period	Year to Date
Interest	0.33		
<b>Total</b>	<b>\$2,020.94</b>	<b>\$2,020.94</b>	<b>\$20,713.07</b>

**Realized Gain/Loss from Sales**

Short-term gain	\$0.00	This Period	Year to Date
Long-term gain	\$503.05		\$21,616.37
Long-term loss	0.00		-26,365.23
Lt disallowed loss	0.00		45.47
<b>Net long</b>	<b>503.05</b>	<b>503.05</b>	<b>-4,703.39</b>

Your Advisor is an independent organization and is not affiliated with Fidelity Investments. Brokerage services provided by Fidelity Brokerage Services LLC, Member NYSE, SIPC  
800-544-6666 Brokerage Accounts carried with National Financial Services LLC, Member NYSE, SIPC

**Holdings (Symbol) as of December 31, 2011**

Quantity	Price per Unit	Total Cost Basis	Total Value	Unrealized Gain (Loss)
December 31, 2011	December 31, 2011	December 1, 2011	December 31, 2011	December 31, 2011
<b>Stocks 94% of holdings</b>				
280,000	\$31.950	\$8,271.76	\$8,948.80	\$ 677.04
AXIS CAPITAL HOLDINGS LTD COM				
USD0 0125 (AXS)				
131,000	38.390	5,888.03	5,029.09	- 858.94
TRANSOCEAN LIMITED COM CHF15 (RIG)				
604,000	11.830	14,996.72	7,531.88	- 7,464.84
UBS AG SHS NEW ISIN #CH0024899483				
SEDOL #B17MV57 (UBS)				
826,000	9.595	8,637.42	7,925.47	- 711.95
ALLIANZ SE ADR EACH REP 1/10 ORD SH (AZSEY)				



# Investment Report

December 1, 2011 - December 31, 2011

**Brokerage 670-295329** THE PAUL D WASSEROTT FNDN  
 Separate Account Manager TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 31, 2011	Total Value December 31, 2011	Unrealized Gains (Loss) December 31, 2011
ALSTOM UNSP ADR EACH REPR 0.10 ORD (ALSMY)	1,777.000	3.042	7,367.48	6,144.86	5,405.63	- 1,961.85
ALUMINA LTD SPONSORED ADR (AWC)	1,015.000	4.610	9,779.82	5,988.50	4,679.15	- 5,100.67
ANGLOGOLD ASHANTI LTD SPONS ADR ISIN #US0351282068 SEDOL #2257495 (AU)	319.000	42.450	12,196.51	17,985.00	13,541.55	1,345.04
ASTRAZENECA ADR EACH REP 1 ORD USD0 25(MGT) (AZN)	316.000	46.290	14,997.35	14,529.68	14,627.64	- 369.71
BARRICK GOLD CORP ISIN #CA0679011084 SEDOL #2024644 (ABX)	421.000	45.250	15,753.16	20,781.84	19,050.25	3,297.09
CAMECO CORP ISIN #CA13321L1085 SEDOL #2166160 (CCJ)	891.000	18.050	22,244.92	15,284.58	16,082.55	- 6,162.37
CARREFOUR SA SPONSORED ADR (CRRFY)	3,118.000	4.476	21,216.32	13,272.00	13,956.16	- 7,260.16
CENTRAIS ELETRICAS BRASILEIRAS S A SPONSORED ADR REPSTG 50 PFD CL B (ELECTRO BRAS PFD ADR) (EBRB)	380.000	14.500	4,177.86	5,092.00	5,510.00	1,332.14
CENTRAIS ELETRICAS BRASILEIRAS SA SPONS ADR REPSTG 50 COM SHS (ELECTROBRAS ORD ADR) (EBR)	179.000	9.710	2,354.51	1,662.91	1,738.09	- 616.42
DAI NIPPON PRGTG LTD JAPAN SPONSORED ADR (DNPLY)	1,290.000	9.618	18,358.41	12,363.36	12,407.22	- 5,951.19
DAIICHI SANKYO CO LTD SPONSORED ADR LEVEL 1 (DSNKY)	341.000	19.834	6,478.55	6,030.92	6,763.39	284.84
EAST JAPAN RAILWAY CO ADR EACH REPR 0 16667 SHS (EJPRY)	590.000	10.614	6,852.04	5,947.20	6,262.26	- 589.78
ELECTRICITE DE FRANCE ADR (ECIFY)	1,755.000	4.790	14,212.35	6,776.28	8,406.45	- 5,805.90
FINMECCANICA SPA UNSP ADR EACH REPR 0 50 ORD (FINMY)	3,151.000	1.855	14,933.09	6,809.31	5,845.10	- 9,087.99
FUJIFILM HLDGS CORP ADR 2 ORD N/C FROM 359586302 (FUJIY)	370.000	23.694	12,749.57	8,703.14	8,766.78	- 3,982.79
GAZPROM O A SPONSORED ADR ISIN #US3682872078 SEDOL #5140989 (OGZPY)	1,155.000	10.660	12,095.44	13,282.50	12,312.30	216.86





# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 670-295329 THE PAUL D WASSEROTT FNDN

Separate Account Manager. TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
GLAXOSMITHKLINE ADR EACH CNV INTO 2 ORD GBP0 25 (GSK)	329,000	45.630	13,123.02	14,633.92	15,012.27	1,889.25
GOLD FIELDS LTD ADR EACH REPR 1 ORD ZAR0 50 LVL II(BNY) (GFI)	745,000	15.250	9,740.24	12,620.30	11,361.25	1,621.01
HACHIJUNI BK LTD ADR ISIN #US4045082025 SEDOL #2463311 (HACBY)	109,000	57.057	6,706.88	6,318.40	6,219.21	- 487.67
HOME RETAIL GROUP SPON ADR EACH REP 4 ORD SHS GBP0 10 (HMRTY)	755,000	5.184	8,261.66	4,255.93	3,913.92	- 4,347.74
KINROSS GOLD CORP NEW COM NO PAR ISIN #CA4969024047 SEDOL #B03Z841 (KGC)	1,011,000	11.400	16,933.60	14,123.67	11,525.40	- 5,408.20
KOREA ELECTRIC POWER CORP ADR (KEP) MS&AD INS GP HLDGS ADR EACH REPR 0 5 ORD UNSPON (MSADY)	685,000 1,516,000	10.980 9.267	11,720.95 20,843.76	7,603.50 14,509.63	7,521.30 14,048.77	- 4,199.65 - 6,794.99
MARINE HARVEST ASA UNSP ADR EACH REPR 20 ORD (MNHVY)	537,000	8.666	5,927.20	4,650.95	4,653.64	- 1,273.56
NEWCREST MING LTD SPONSORED ADR (NMGY)	424,000	30.346	10,044.20	12,298.22	12,866.70	2,822.50
NEXEN INC ISIN #CA65334H1029 SEDOL #2172219 (NXY)	821,000	15.910	15,339.09	12,178.95	13,062.11	- 2,276.98
NINTENDO CO LTD ADR(8 CNV INTO 1 ORD)NPV (NTDOY)	480,000	17.221	13,703.50	8,988.96	8,266.08	- 5,437.42
NIPPON TELEGRAPH & TELEPHONE CORP SPNSR ADR (NTT)	815,000	25.330	17,670.12	20,130.50	20,643.95	2,973.83
NOKIA CORP ADR (NOK)	1,918,000	4.820	20,167.95	11,105.22	9,244.76	- 10,923.19
PANASONIC CORP ADR N/C FROM 576879209 #REOR M0050553680001 (PC)	828,000	8.390	13,064.67	7,907.40	6,946.92	- 6,117.75
TELEKOMUNIKASI INDONESIA(PERSERO) ADR EA REP 40 SER B IDR250 (TLK)	200,000	30.740	6,751.37	6,550.00	6,148.00	- 603.37
POLYUS GOLD INTL LTD GDR LEVEL 1 N/C FROM 48667H600 #REOR M0050702260001 (PLZLY)	1,728,000	2.950	6,493.90	5,045.76	5,097.60	- 1,396.30



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 670-295329 THE PAUL D WASSEROTT FNDN Separate Account Manager TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

Holdings (Symbols as of December 31, 2011)	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis December 31, 2011	Total Value December 31, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
ROHM CO LTD ADR (ROHCY)	366,000	23.330	10,085.96	7,227.96	8,538.78	-1,547.18
SK TELECOM ADR EACH REPR 0 11111 KRW500 (SKM)	1,028,000	13.610	17,481.27	15,204.12	13,991.08	-3,490.19
SANOFI SPONSORED ADR (SNY)	444,000	36.540	16,125.38	15,544.44	16,223.76	98.38
SEKISUI HOUSE LTD SPONSORED ADR FORMER LY SEKISUI PREFAB HOMES LTD TO 04/28/1982 (SKHSY)	1,039,000	8.877	10,777.77	8,900.07	9,223.20	-1,554.57
SEVEN & I HLDGS CO LTD (SVNDY)	195,000	55.758	8,805.74	12,219.95	10,872.81	2,067.07
SHISEIDO LTD SPONS ADR ONE ADR REPRESENTG ONE ORD SHS (SSDOY)	592,000	18.391	9,917.64	10,805.77	10,887.47	969.83
SIEMENS A G SPON ADR ISIN #US8261975010 SEDOL #2742689 (SI)	87,000	95.610	5,561.32	8,822.67	8,318.07	2,756.75
SOCIETE GENERALE ADR (SCGLY)	510,000	4.467	4,367.65	2,482.68	2,278.17	-2,089.48
SUMITOMO MITSUI TRUST HOLDINGS SPON ADR EA REPR 1 ORD SH (SUTNY)	2,138,000	2.937	8,728.19	6,362.68	6,279.30	-2,448.89
SWISSCOM AG ADR REPSNTG 1/10 OF A SHR (SCMWY)	299,000	38.060	9,644.89	11,301.00	11,379.94	1,735.05
TNT EXPRESS N V ADR (TNTEY)	1,152,000	7.495	10,795.21	8,301.31	8,634.24	-2,160.97
TALISMAN ENERGY INC COM NPV ISIN #CA87425E1034 SEDOL #2068299 (TLM)	426,000	12.750	5,773.06	5,793.60	5,431.50	-341.56
TELECOM ITALIA S P A NEW SPON ADR REPSTG SVGS SHS (TIA)	1,259,000	8.900	23,795.61	12,187.12	11,205.10	-12,590.51
TOYOTA MOTOR CORP ADR-EACH REP 2 ORD NPV LVLI(APON) (TM)	130,000	66.130	9,193.33	8,568.30	8,596.90	-596.43
VODAFONE GROUP PLC NEW SPONSORED ADR NEW (VOD)	575,000	28.030	11,362.75	15,611.25	16,117.25	4,754.50
WACOAL HLDGS CORP ADR (WACLY)	210,000	65.640	13,091.04	13,608.00	13,784.40	693.36
WOLTERS KLUWER N V ADR (WTKWY)	672,000	17.337	11,372.31	11,669.28	11,650.46	278.15





**Investment Report**

December 1, 2011 - December 31, 2011

**Brokerage 670-295329** THE PAUL D WASSEROTT FNDN  
 Separate Account Manager: TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

**Holdings** (Symbol) as of December 31, 2011  
 Quantity December 31, 2011 Price per Unit December 31, 2011 Total Value December 1, 2011 Total Value December 31, 2011 Unrealized Gain (Loss) December 31, 2011

Subtotal of Stocks 616,932.54 GL 514,347.51 -102,585.03

Core Account 6% of holdings

CASH

Subtotal of Core Account

Total

All positions held in cash account unless indicated otherwise

t - Third-party provided

Cost Basis the original amount paid for a security, including the amount of reinvested dividends and capital gains, plus or minus certain adjustments See last page of statement for details Total Cost Basis does not include the cost basis on core, money market or other positions where cost basis is unknown or not applicable

30,397,890	1,000	not applicable	43,474.10	30,397.89	not applicable
				<b>30,397.89</b>	
		\$ 616,932.54		\$ 544,745.40	-\$ 102,585.03



# Investment Report

December 1, 2011 - December 31, 2011

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THE PAUL D WASSEROTT FNDN  
PO BOX 349  
WILKES BARRE PA 18703-0349

**Your Advisor**  
MOLEWSKI FINANCIAL PARTNERS  
100 GATEWAY DR STE 300  
BETHLEHEM PA 18017-9431

## Brokerage 579-938459 THE PAUL D WASSEROTT FNDN

### Account Summary

Beginning value as of Dec 1	\$1,588,525.62
Other Tax Withheld	-59.74
Transaction costs, loads and fees	-1.10
Change in investment value	21,073.01
<b>Ending value as of Dec 31</b>	<b>\$1,609,537.79</b>

### Income Summary

	This Period	Year to Date
Taxable	\$5,324.33	\$40,524.10
Dividends		
Tax-exempt	0.11	1.67
Dividends		
<b>Total</b>	<b>\$5,324.44</b>	<b>\$40,525.77</b>

### Realized Gain/Loss from Sales

	This Period	Year to Date
Short-term gain	\$0.00	\$77,625.04
Short-term loss	0.00	-66,358.16
<b>Net short</b>	<b>0.00</b>	<b>11,266.88</b>
Long-term gain	\$0.00	\$207,866.86
Long-term loss	0.00	-16,540.66
<b>Net long</b>	<b>0.00</b>	<b>191,326.20</b>

Your Advisor is an independent organization and is not affiliated with Fidelity Investments Brokerage services provided by Fidelity Brokerage Services LLC, Member NYSE, SIPC  
800-544-6666 Brokerage Accounts carried with National Financial Services LLC, Member NYSE, SIPC

### Holdings (Symbol) as of December 31, 2011

	Quantity	Price per Unit	Total Cost Basis	Total Value	Unrealized Gain (Loss)
	December 31, 2011				
<b>Stocks 97% of holdings</b>					
COVIDIEN PLC USD0 20(POST CONSOLIDATION) (COV)	660 000	\$45.010	\$34,275.43	\$30,063.00	-\$ 4,568.83
ACE LIMITED ORD CHF30 57 (ACE)	383 000	70.120	25,233.88	26,629.99	1,622.08
ABBOTT LABORATORIES (ABT)	557 000	56.230	28,919.90	30,384.35	2,400.21
AGILENT TECH INC (A)	821 000	34.930	38,033.83	30,787.50	-9,356.30
ALLIANCE DATA SYS CORP (ADS)	307 000	103.840	29,106.52	31,439.87	2,772.36
APACHE CORP (APA)	291 000	90.580	34,843.37	28,937.04	-8,484.59



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938459 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 31, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
APPLE INC (AAPL)	77,000	405.000	7,135.97	29,429.40	31,185.00	24,049.03
BCE INC COM NPV ISIN #CA05534B7604	615,000	41.670	18,504.30	24,101.85	25,627.05	7,122.75
SEDOL #B188TH2 (BCE)						
BRISTOL MYERS SQUIBB (BMY)	957,000	35.240	28,069.19	31,313.04	33,724.68	5,655.49
CVS CAREMARK CORP (CVS)	751,000	40.780	26,367.22	29,168.84	30,625.78	4,258.56
CARDINAL HEALTH INC (CAH)	720,000	40.610	30,050.00	30,571.20	29,239.20	- 810.80
CHEVRON CORP NEW (CVX)	279,000	106.400	23,429.40	28,686.78	29,685.60	6,256.20
CISCO SYS INC (CSCO)	1,628,000	18.080	29,186.70	30,308.64	29,398.08	211.38
CONOCOPHILLIPS (COP)	395,000	72.870	19,658.91	28,171.40	28,783.65	9,124.74
CUMMINS INC FORMERLY CUMMINS ENGINE INC TO 04/05/2001 (CMI)	353,000	88.020	29,587.40	34,004.49	31,071.06	1,483.66
DEERE & COMPANY (DE)	443,000	77.350	26,841.12	35,107.75	34,266.05	7,424.93
DISCOVER FINL SVCS (DFS)	1,086,000	24.000	26,343.84	25,868.52	26,064.00	- 279.84
DU PONT E I DE NEMOURS & CO (DD)	598,000	45.780	21,913.21	28,536.56	27,376.44	5,463.23
E M C CORP MASS (EMC)	1,280,000	21.540	15,506.80	29,452.80	27,571.20	12,064.40
EXXON MOBIL CORP (XOM)	353,000	84.760	27,316.99	28,395.32	29,920.28	2,603.29
GENERAL ELECTRIC CO (GE)	2,098,000	17.910	30,495.16	33,379.18	37,575.18	7,080.02
HALIBURTON CO HOLDING CO FRMLY HALIBURTON CO (HAL)	796,000	34.510	29,561.75	29,292.80	27,469.96	- 2,091.79
HELMERICH & PAYNE (HP)	490,000	58.360	31,474.32	27,910.40	28,596.40	- 2,877.92
INTEL CORP (INTC)	1,247,000	24.250	26,471.81	31,062.77	30,239.75	3,767.94
INTL BUSINESS MACH (IBM)	160,000	183.880	13,217.52	30,080.00	29,420.80	16,203.28
INTL PAPER CO (IP)	1,017,000	29.600	24,430.74	28,882.80	30,103.20	5,672.46
JPMORGAN CHASE & CO (JPM)	853,000	33.250	34,343.90	26,417.41	28,362.25	- 5,981.65
KLA-TENCOR CORP COM (KLAC)	669,000	48.250	29,094.81	30,840.90	32,279.25	3,184.44
KIMBERLY CLARK CORP (KMB)	409,000	73.560	24,401.10	29,231.23	30,086.04	5,684.94
KRAFT FOODS INC CL A (KFT)	822,000	37.360	28,431.91	29,715.30	30,709.92	2,278.01
LOCKHEED MARTIN CORP (LMT)	423,000	80.900	30,922.85	33,057.45	34,220.70	3,297.85
MACYS INC (M)	1,037,000	32.180	19,972.62	33,526.21	33,370.66	13,398.04
MARATHON PETROLEUM CORP COM USD0 01 (MPC)	815,000	33.290	24,424.96	27,212.85	27,131.35	2,706.39
MATTEL INC (MAT)	1,125,000	27.760	29,551.27	32,411.25	31,230.00	1,678.73
MICROSOFT CORP (MSFT)	1,172,000	25.960	33,887.30	29,979.76	30,425.12	- 3,462.18
NEXTERA ENERGY INC COM (NEE)	530,000	60.880	29,564.20	29,383.20	32,266.40	2,702.20



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938459 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
ORACLE CORPORATION (ORCL)	980 000	25.650	18,647.93	30,723.00	25,137.00	6,489.07
PNC FINL SVCS GROUP (PNC)	501 000	57.670	21,384.75	27,159.21	28,892.67	7,507.92
PEPSICO INC (PEP)	480 000	66.350	30,633.60		31,848.00	1,214.40
PHILIP MORRIS INTL INC COM (PM)	393 000	78.480	27,217.63	29,962.32	30,842.64	3,625.01
PRUDENTIAL FINL INC (PRU)	533 000	50.120	32,967.81	26,991.12	26,713.96	- 6,253.85
QUALCOMM INC (QCOM)	540 000	54.700	28,776.60		29,538.00	761.40
ROSS STORES INC (ROST)	730 000	47.530	14,372.05	32,517.85	34,696.90	20,324.85
UNION PACIFIC CORP (UNP)	330 000	105.940	20,381.62	34,125.30	34,960.20	14,578.58
UNITEDHEALTH GROUP (UNH)	656 000	50.680	19,625.75	31,993.12	33,246.08	13,620.33
UNUM GROUP (UNM)	1,176 000	21.070	25,386.60	26,471.76	24,778.32	- 608.28
VERIZON COMMUNICATIONS (VZ)	650 000	40.120	24,494.28	24,524.50	26,078.00	1,583.72
VIACOM INC NEW CL B (VIAB)	750 000	45.410	35,581.05	33,570.00	34,057.50	- 1,523.55
WALMART STORES INC (WMT)	500 000	59.760	24,648.50	29,450.00	29,880.00	5,231.50
WELLS FARGO & CO NEW (WFC)	1,046 000	27.560	34,913.39	27,049.56	28,827.76	- 6,085.63
WYNDHAM WORLDWIDE CORP COM (WYN)	944 000	37.830	29,896.05	33,464.80	35,711.52	5,815.47
XCEL ENERGY INC COM (XEL)	1,148 000	27.640	27,284.05	30,180.92	31,730.72	4,446.67
<b>Subtotal of Stocks</b>			<b>1,376,781.86</b>		<b>1,569,762.18</b>	<b>192,980.32</b>
<b>Other 2% of holdings</b>						
ANNALY CAPITAL MANAGEMENT INC COM (NLY)	1,577 000	15.960	27,860.46	25,342.39	25,168.92	- 2,691.54
<b>Subtotal of Other</b>			<b>27,860.46</b>		<b>25,168.92</b>	<b>-2,691.54</b>
<b>Core Account 1% of holdings</b>						
FIDELITY MUNICIPAL MONEY MARKET (FTEXX)	14,606.690	1 000	not applicable	11,980.00	14,606.69	not applicable
<i>7-day Yield 0 01%</i>						
<b>Subtotal of Core Account</b>					<b>14,606.69</b>	
<b>Total</b>			<b>\$ 1,404,642.32 GL</b>		<b>\$1,609,537.79</b>	<b>\$ 190,288.78</b>

All positions held in cash account unless indicated otherwise

Cost Basis - the original amount paid for a security, including the amount of reinvested dividends and capital gains, plus or minus certain adjustments See last page of statement for details Total Cost Basis does not include the cost basis on core, money market or other positions where cost basis is unknown or not applicable

## Transaction Details

(for holdings with activity this period)

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**Investment Report**

December 1, 2011 - December 31, 2011

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THE PAUL D WASSEROTT FNDN  
PO BOX 349  
WILKES BARRE PA 18703-0349

**Your Advisor**  
MOLEWSKI FINANCIAL PARTNERS  
100 GATEWAY DR STE 300  
BETHLEHEM PA 18017-9431

**Brokerage 579-938424 THE PAUL D WASSEROTT FNDN**

**Account Summary**

Beginning value as of Dec 1 \$1,056,851.70  
Change in investment value 11,487.30  
Ending value as of Dec 31 **\$1,068,339.00**  
Accrued Interest (AI) \$5,258.20  
Change in AI from last statement \$32.75

**Income Summary**

	This Period	Year to Date
Taxable	\$822.95	\$3,962.54
Dividends	2,565.09	29,182.45
Interest	197.77	4,311.41
U.S. Gov't interest		
Tax-exempt	0.59	6.91
Dividends		
Total	<b>\$3,586.40</b>	<b>\$37,463.31</b>

**Realized Gain/Loss from Sales**

	This Period	Year to Date
Short-term gain	\$2,363.36	\$21,165.60
Short-term loss	0.00	-7,572.33
St. disallowed loss	0.00	25.47
Net short	<b>2,363.36</b>	<b>13,618.74</b>
Long-term gain	\$0.00	\$29,256.62
Long-term loss	0.00	-1,015.00
Net long	<b>0.00</b>	<b>28,241.62</b>

*This may not reflect all of your gains/losses because of incomplete cost basis*

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800-544-6666 Brokerage Accounts carried with National Financial Services LLC, Member NYSE, SIPC

**Holdings (Symbol) as of December 31, 2011**

**Stocks 20% of holdings**

	Quantity	Price per Unit	Total Cost Basis	Total Value	Unrealized Gain (Loss)
	December 31, 2011	December 31, 2011	December 1, 2011	December 31, 2011	December 31, 2011
ISHARES TR S&P 500/ VALUE INDEX FD (IVE )	411,000	\$57.830	\$25,782.67	\$23,484.54	-\$ 2,014.54
SPDR S&P 500 ETF TRUST UNIT SER 1 S&P (SPY )	320,000	125.500	38,502.46	39,996.80	1,657.54



# Investment Report

December 1, 2011 - December 31, 2011

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value		Unrealized Gain (Loss) December 31, 2011
				December 1, 2011	December 31, 2011	
<b>Brokerage 579-938424 THE PAUL D WASSEROTT FNDN</b>						
SPDR SER TR S&P DIVID ETF (SDY)	1,061.000	53.870	58,121.46	57,081.80	57,156.07	- 965.39
SPDR DOW JONES INDL AVERAGE ETF TR UNIT SER 1 (DIA)	432.000	121.850	50,021.92	51,922.08	52,639.20	2,617.28
SPDR S&P MIDCAP 400 ETF TR UNIT SER 1 STANDARD & POORS DEP RCPT N/C FROM 595635103 #REOR.M0050619260001 (MDY)	221.000	159.490	36,404.50	35,583.21	35,247.29	- 1,157.21
<b>Subtotal of Stocks</b>			<b>208,833.01</b>	<b>208,970.69</b>	<b>208,970.69</b>	<b>137.68</b>
<b>Bonds 73% of holdings</b>						
NATIONAL RURAL UTILS COOP FIN 7.250% 03/01/2012 FIXED COUPON	7,000.000	101.051	7,030.50B	7,110.25	7,073.57	43.07
MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$169.17 EAI \$253.75 CUSIP 637432CU7	5,000.000	102.989	5,156.53B	5,165.50	5,149.45	- 7.08
PECO ENERGY CO IREF MTG 4.750% 10/01/2012 FIXED COUPON	5,000.000	103.958	5,091.63B	5,209.25	5,197.90	106.27
MOODYS A1 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$59.37 EAI \$237.50 CUSIP 693304AD9	5,000.000	103.958	5,091.63B	5,209.25	5,197.90	106.27
ALABAMA POWER CO BOND 04.85000% 12/15/2012 FIXED COUPON	5,000.000	103.958	5,091.63B	5,209.25	5,197.90	106.27
MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$10.78 EAI \$242.50 CUSIP 010392EY0	5,000.000	103.958	5,091.63B	5,209.25	5,197.90	106.27



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
PRUDENTIAL FINL INC FR 5 15000% 01/15/2013 FIXED COUPON	5,000.000	103.530	5,084.25B	5,191.30	5,176.50	92.25
MOODYS Baa2 S&P A SEMIANNUALLY AI \$65.09 EAI \$257.50 CUSIP 74432QBE4	5,000.000	104.691	5,234.38B	5,250.55	5,234.55	0.17
COLUMBUS SOUTHERN PWR CO SR NT-A 5 500% 03/01/2013 FIXED COUPON	5,000.000	104.869	5,111.34B	5,236.60	5,243.45	132.11
DOMINION RES INC VA NEW SR NT 03-D 5 000% 03/15/2013 FIXED COUPON	5,000.000	104.869	5,111.34B	5,236.60	5,243.45	132.11
MOODYS Baa2 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$73.61 EAI \$250.00 CUSIP 25746UAM1	5,000.000	104.482	4,876.30B	5,231.60	5,224.10	347.80
UNITEDHEALTH GROUP INC NT 4 875% 04/01/2013 FIXED COUPON	5,000.000	104.482	4,876.30B	5,231.60	5,224.10	347.80
MOODYS A3 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$60.94 EAI \$243.74 CUSIP 91324PAE2	5,000.000	104.482	4,876.30B	5,231.60	5,224.10	347.80



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis December 31, 2011	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
WMC FINANCE USA NOTE CALL MAKE WHOLE 5 125% 05/15/2013 FIXED COUPON MOODYS A2 S&P A+ SEMIANNUALLY NEXT CALL DATE 01/30/2012 MAKE WHOLE CALL AI .. EAI .. CUSIP 92928WAF2	5,000,000	105.698	5,384.90	5,304.40	5,284.90	- 100.00
DEERE JOHN CAP CORP SR NT 1 87500% 06/17/2013 FIXED COUPON MOODYS A2 S&P A SEMIANNUALLY AI \$3.65 EAI \$93.74 CUSIP 24422EQX0	5,000,000	101.811	5,091.93B	5,092.20	5,090.55	- 1.38
HONDA AUTO SER 2011-1 CL A2 00 65000% 06/17/2013 FIXED COUPON MOODYS Aaa MONTHLY CUR FACTOR 0.86844365 CUR FACE 8684.44 CUSIP 43813TAB9	10,000,000	100.006	8,684.13	9,838.82	8,684.93	0.80
HEINZ (RJ) CO NOTES 05 35000% 07/15/2013 FIXED COUPON MOODYS Baa2 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$123.35 EAI \$267.50 CUSIP 423074AJ2	5,000,000	106.747	5,315.05B	5,346.35	5,337.35	22.30
ELECTRONIC DATA SYS NEW SR NT-B CR SENS 06 00000% 08/01/2013 VARIABLE COUPON MOODYS A2 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL CUSIP 285661AD6	5,000,000	106.007	5,142.87B	5,362.70	5,300.35	157.48





# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
CHRYSLER FINANCIAL SER 2010-A CL A3	10,000,000	100.057	10,026.95	10,010.07	10,005.68	- 21.27
00 91000% 08/08/2013						
FIXED COUPON						
S&P AAA						
MONTHLY						
CUR FACTOR 1 00000000						
CUR FACE 10000 00						
CUSIP 17121DAC3						
COCA-COLA ENTERPRISES	10,000,000	106.347	10,143.38B	10,665.60	10,634.70	491.32
05 00000% 08/15/2013						
FIXED COUPON						
S&P A+						
SEMIANNUALLY						
MAKE WHOLE CALL						
AI \$188 89						
EAI \$500 00						
CUSIP 191219BS2						
HYUNDAI AUTO REC TR SER 2009-A CL A3	5,000 000	100.395	1,997.67	2,315.52	2,005.60	7.93
02 03000% 08/15/2013						
FIXED COUPON						
S&P AAA						
MONTHLY						
CUR FACTOR 0 39954365						
CUR FACE 1997 72						
CUSIP 44921AAC5						
VODAFONE GROUP PLC NEW	10,000,000	107.300	10,854.90	10,727.80	10,730.00	- 124.90
5 000% 12/16/2013						
FIXED COUPON						
MOODYS A3 S&P A-						
SEMIANNUALLY						
MAKE WHOLE CALL						
AI--						
EAI --						
CUSIP 92857WAF7						
KROGER CO NOTE CALL MAKE WHOLE	5,000,000	111.758	5,504.93B	5,607.85	5,587.90	82.97
07 50000% 01/15/2014						
FIXED COUPON						
MOODYS Baa2 S&P BBB						
SEMIANNUALLY						
MAKE WHOLE CALL						
AI \$172 92						
EAI \$375 00						
CUSIP 501044CL3						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
WYETH SR NT	5,000.000	109.626	5,212.05B	5,496.85	5,481.30	269.25
5.500% 02/01/2014 FIXED COUPON						
MOODYS A1 S&P AA SEMIANNUALLY MAKE WHOLE CALL AI \$114.58 EAI \$275.00 CUSIP 983024AE0						
USAA AUTO OWNER TR SER 2009-2 CL A3	5,000.000	100.253	1,520.72	1,768.38	1,524.61	3.89
01 54000% 02/18/2014 FIXED COUPON						
MOODYS Aaa S&P AAA MONTHLY CUR FACTOR 0.30415191 CUR FACE 1520.76 CUSIP 90327YAC6						
SHELL INTERNATIONAL FIN MAKE WHOLE	5,000.000	107.484	5,296.10	5,367.95	5,374.20	78.10
04 00000% 03/21/2014 FIXED COUPON						
MOODYS Aa1 S&P AA SEMIANNUALLY MAKE WHOLE CALL AI -- EAI --						
CUSIP 822582AF9						
CONAGRA FOODS INC NOTES	5,000.000	109.742	5,242.53B	5,482.45	5,487.10	244.57
05 87500% 04/15/2014 FIXED COUPON						
MOODYS Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL AI \$62.01 EAI \$293.74 CUSIP 205887BE1						
TOYOTA AUTO SR 2011-B CL A2	10,000.000	99.817	9,999.85	9,986.45	9,981.70	-18.15
00 53000% 04/15/2014 FIXED COUPON						
MOODYS Aaa S&P AAA MONTHLY CUR FACTOR 1.00000000 CUR FACE 10000.00 CUSIP 89236QAB7						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
DOW CHEMICAL COMPANY NOTES CR SENS	5,000.000	113.082	5,612.458	5,653.35	5,654.10	41.65
07 60000% 05/15/2014 VARIABLE COUPON MOODYS Baa3 S&P BBB SEMIANNUALLY MAKE WHOLE CALL CUSIP 260543BW2						
CATERPILLAR FINL SVCS MTNS BE	5,000.000	101.252	5,041.148	5,071.80	5,062.60	21.46
1 37500% 05/20/2014 FIXED COUPON MOODYS A2 S&P A SEMIANNUALLY AI \$7.83 EAI \$68.74 CUSIP 14912L4V0						
SCHWAB CHARLES CORP SR NT	5,000.000	108.374	5,136.498	5,388.25	5,418.70	282.21
4 95000% 06/01/2014 FIXED COUPON MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$20.63 EAI \$247.50 CUSIP 808513AC9						
FEDERAL NATL MTG ASSN	15,000.000	101.298	15,085.008	15,193.95	15,194.70	109.70
1 12500% 06/27/2014 FIXED COUPON MOODYS Aaa S&P AA+ SEMIANNUALLY AI \$1.88 EAI \$168.76 CUSIP 3135G0BJ1						
TARGET CORP NT	5,000.000	100.734	5,024.888	5,034.50	5,036.70	11.82
1 12500% 07/18/2014 FIXED COUPON MOODYS A2 S&P A+ SEMIANNUALLY AI \$25.47 EAI \$56.26 CUSIP 87612EAW6						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
FEDERAL HOME LN MTG REFRENCE 1 000000% 08/27/2014	20,000,000	100.973	20,268.20B	20,187.80	20,194.60	- 73.60
FIXED COUPON MOODY'S Aaa S&P AA+ SEMIANNUALLY AI \$68.89 EAI \$200.00 CUSIP 3137EACV9						
TOYOTA AUTO SER 2011-A CL A3 00 980000% 10/15/2014	5,000,000	100.209	5,030.47	5,015.54	5,010.47	- 20.00
FIXED COUPON MOODY'S Aaa S&P AAA MONTHLY CUR FACTOR 1 000000000 CUR FACE 5000.00 CUSIP 89235XAC1						
UNITED STATES TREAS 0 500000% 10/15/2014	45,000,000	100.414	45,147.37B	45,147.60	45,186.30	38.93
FIXED COUPON MOODY'S Aaa SEMIANNUALLY AI \$47.95 EAI \$225.00 CUSIP 912828RL6						
FEDERAL NATL MTG ASSN 0 625000% 10/30/2014	20,000,000	99.818	19,983.56B	19,939.60	19,963.60	- 19.96
FIXED COUPON MOODY'S Aaa S&P AA+ SEMIANNUALLY AI \$21.18 EAI \$125.00 CUSIP 3135G0DWO						
ARCELORMITTAL NOTE CALL MAKE WHOLE 9 000000% 02/15/2015	5,000,000	110.559	5,972.75	5,474.70	5,527.95	- 444.80
VARIABLE COUPON MOODY'S Baa3 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL CUSIP 03938LAL8						



IWMESDFC2005101 004479 00040016 00



# Investment Report

December 1, 2011 - December 31, 2011

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value		Unrealized Gain (Loss) December 31, 2011
				December 1, 2011	December 31, 2011	
<b>Brokerage 579-938424</b> THE PAUL D WASSEROTT FNDN						
<b>Holdings</b>	5,000,000	107.364	5,363,468	5,366.80	5,368.20	4.74
BOEING CO NOTE 03 50000% 02/15/2015 FIXED COUPON						
MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$66 11 EAI \$175 00 CUSIP 097023AY1						
U S BANCORP MTNS BK SR NT-R 3 15000% 03/04/2015 FIXED COUPON	5,000,000	104.520	4,999,058	5,227.35	5,226.00	226.95
MOODYS Aa3 S&P A SEMIANNUALLY AI \$51 19 EAI \$157 50 CUSIP 91159HGU8						
MERCEDES BENZ AUTO SER 2011-1 CL A3 00 85000% 03/16/2015 FIXED COUPON	5,000,000	100.078	4,999,866	5,003.74	5,003.90	4.04
MOODYS Aaa MONTHLY CUR FACTOR 1 00000000 CUR FACE 5000 00 CUSIP 587728AC0						
HONDA AUTO SER 2011-2 CL A3 00 94000% 03/18/2015 FIXED COUPON	5,000,000	100.138	4,999,799	5,012.85	5,006.88	7.09
MOODYS Aaa MONTHLY CUR FACTOR 1 00000000 CUR FACE 5000 00 CUSIP 43814AAC7						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
VORNADO RLT L P NT	5,000,000	103.492	5,042,558	5,151.60	5,174.60	132.05
4.25000% 04/01/2015 FIXED COUPON						
MOODY'S Baa2 S&P BBB SEMIANNUALLY						
NEXT CALL DATE 01/01/2015						
CONT CALL 01/01/2015 MAKE WHOLE CALL						
AI \$53.12 EAI \$212.50 CUSIP 929043AF4						
WORLD OMNI AUTO SER 2010-A CL A4	5,000,000	101.393	4,999.88	5,079.02	5,069.65	69.77
02.21000% 05/15/2015 FIXED COUPON						
MOODY'S Aaa S&P AAA MONTHLY						
CUR FACTOR 1.00000000 CUR FACE 5000.00						
CUSIP 98153YAD6						
HSBC FINANCE CORP NT	5,000,000	101.539	5,219.30	5,105.55	5,076.95	-142.35
5.00000% 06/30/2015 FIXED COUPON						
MOODY'S A3 S&P A SEMIANNUALLY						
AI \$0.69 EAI \$250.00 CUSIP 40429CCS9						
FIRST HORIZON NATL CORP	5,000,000	101.225	5,226.948	4,976.90	5,061.25	-165.69
5.37500% 12/15/2015 FIXED COUPON						
MOODY'S Baa1 S&P BBB- SEMIANNUALLY						
AI \$11.94 EAI \$268.74 CUSIP 320517AA3						
CHRYSLER FINL AUTO SER 2009-A CL A3	20,000,000	100.670	6,180.82	6,960.53	6,108.96	-71.86
02.82000% 01/15/2016 FIXED COUPON						
S&P AAA MONTHLY						
CUR FACTOR 0.30341454 CUR FACE 6068.29 CUSIP 171203AC8						





**Investment Report**

December 1, 2011 - December 31, 2011

**Brokerage 579-938424 THE PAUL D WASSEROTT FNDN**

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
BUNGE LTD FIN CORP SR NT 4 10000% 03/15/2016 FIXED COUPON	5,000.000	103.553	5,020.22B	5,077.45	5,177.65	157.43
MOODY'S Baa2 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL AI \$60.36 EAI \$205.00 CUSIP 120568AU4	20,000.000	106.664	20,453.85B	21,289.00	21,332.80	878.95
UNITED STATES TREAS 2 25000% 03/31/2016 FIXED COUPON MOODY'S Aaa SEMIANNUALLY AI \$114.34 EAI \$450.00 CUSIP 912828QA1	10,000.000	99.795	9,917.24	9,978.06	9,979.52	62.28
BANK OF AMERICA SER 2006-A14 CL A14 00 33830 04/15/2016 FIXED COUPON MOODY'S Aaa S&P Aaa MONTHLY CUR FACTOR 1 000000000 CUR FACE 10000.00 CUSIP 05522RAP3	10,000.000	107.436	10,313.79B	10,641.70	10,743.60	429.81
BB&T CORPORATION SR NT 3 95000% 04/29/2016 FIXED COUPON MOODY'S A2 S&P A- SEMIANNUALLY AI \$68.03 EAI \$395.00 CUSIP 05531FAF0	45,000.000	105.908	47,571.61B	47,443.50	47,658.60	86.99
FEDERAL HOME LN/MTG REFRNCE 2 50000% 05/27/2016 FIXED COUPON MOODY'S Aaa S&P AA+ SEMIANNUALLY AI \$106.25 EAI \$1,125.00 CUSIP 3137EACT4						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
BARRICK GOLD CORP NT 2.900000% 05/30/2016 FIXED COUPON MOODY'S Baa1 S&P A- SEMIANNUALLY AI -- EAI -- CUSIP 067901AF5	5,000,000	102.634	5,093.95	5,820.20	5,131.70	37.75
SEMPRA ENERGY NOTES 06.500000% 06/01/2016 FIXED COUPON MOODY'S Baa1 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$27.08 EAI \$325.00 CUSIP 816851AN9	5,000,000	116.650	4,988.90B	5,820.20	5,832.50	843.60
BANK OF AMERICA CORPORATION 5.750000% 08/15/2016 FIXED COUPON MOODY'S Baa2 S&P BBB+ SEMIANNUALLY AI \$217.22 EAI \$575.00 CUSIP 060505CL6	10,000,000	91.650	10,090.59B	9,125.50	9,165.00	- 925.59
GOLDMAN SACHS GROUP SR NT 5.750000% 10/01/2016 FIXED COUPON MOODY'S A1 S&P A- SEMIANNUALLY AI \$71.87 EAI \$287.50 CUSIP 38141GER1	5,000,000	103.686	5,215.56B	5,093.35	5,184.30	- 31.26
CONOCOPHILLIPS CDA FDG CO I 5.625% 10/15/2016 FIXED COUPON MOODY'S A1 S&P A SEMIANNUALLY MAKE WHOLE CALL AI -- EAI -- CUSIP 20825TAA5	10,000,000	115.550	10,237.10	11,482.00	11,555.00	1,317.90



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
BOARDWALK PIPELINES LP CO GURNT 5.875% 11/15/2016	5,000.000	112.493	5,555.04B	5,524.25	5,624.65	69.61
FIXED COUPON						
MOODYS Baa2 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL AI \$37.53 EAI \$293.74 CUSIP 096630AA6						
CAPITAL ONE SER 2004-A1 CL A1 00 48830 12/15/2016	10,000.000	99.777	9,962.50	9,974.65	9,977.66	15.16
FIXED COUPON						
MOODYS Aaa S&P AAA MONTHLY CUR FACTOR 1.00000000 CUR FACE 10000.00 CUSIP 14041NBG5						
HONDA AUTO RECV 2010 SER 2010-3 CL A-4 0.94000% 12/21/2016	10,000.000	100.135	9,982.03	10,012.96	10,013.55	31.52
FIXED COUPON						
MOODYS Aaa MONTHLY CUR FACTOR 1.00000000 CUR FACE 10000.00 CUSIP 43813BAD4						
GENERAL ELEC CAP CORP MTN BE 5.40000% 02/15/2017	10,000.000	111.106	10,247.60B	10,922.50	11,110.60	863.00
FIXED COUPON						
MOODYS Aa2 S&P AA+ SEMIANNUALLY AI \$204.00 EAI \$540.00 CUSIP 36962G2G8						
WACHOVIA CORP NEW NT 5.75000% 06/15/2017	5,000.000	110.185	5,045.81B	5,478.25	5,509.25	463.44
FIXED COUPON						
MOODYS A2 S&P A+ SEMIANNUALLY AI \$12.78 EAI \$287.50 CUSIP 929903DT6						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
SAFEWAY INC NOTE 6.350% 08/15/2017 FIXED COUPON	5,000.000	113.383	5,680.94B	5,618.70	5,669.15	- 11.79
MOODY'S Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL AI \$119.94 EAI \$317.50 CUSIP 786514BP3	5,000.000	118.729	5,936.45	5,915.20	5,936.45	278.97
STARBUCK CORP NOTES 6.250% 08/15/2017 FIXED COUPON	10,000.000	111.723	11,235.44B	10,854.60	11,172.30	- 63.14
MOODY'S Baa3 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$118.06 EAI \$312.50 CUSIP 855244AC3	10,000.000	113.953	11,073.15B	11,228.00	11,395.30	322.15
BEAR STEARNS COS INC SR NT 6.40000% 10/02/2017 FIXED COUPON	20,000.000	108.914	21,681.78B	21,782.80	21,782.80	101.02
MOODY'S Aa3 S&P A SEMIANNUALLY AI \$158.22 EAI \$640.00 CUSIP 073902PR3						
WELLS FARGO COMPANY BOND 05.62500% 12/11/2017 FIXED COUPON						
MOODY'S A2 S&P A+ SEMIANNUALLY AI \$31.25 EAI \$562.50 CUSIP 949746NX5						
UNITED STATES TREAS 2 62500% 01/31/2018 FIXED COUPON						
MOODY'S Aaa SEMIANNUALLY AI \$219.70 EAI \$525.00 CUSIP 912828PT1						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
AT&T INC BOND	5,000,000	115.753	5,018,938	5,706.65	5,787.65	768.72
05 50000% 02/01/2018 FIXED COUPON						
MOODYS A2 S&P A- SEMIANNUALLY MAKE WHOLE CALL						
AI \$114.58 EAI \$275.00 CUSIP 00206RAJ1						
VERIZON COMM INC BONDS	10,000,000	116.581	10,718,138	11,513.00	11,658.10	939.97
05 50000% 02/15/2018 FIXED COUPON						
MOODYS A3 S&P A- SEMIANNUALLY MAKE WHOLE CALL						
AI \$207.78 EAI \$550.00 CUSIP 92343VAL8						
JEFFERIES GROUP INC NOTE	5,000,000	88.000	4,982,608	4,200.00	4,400.00	-582.60
05 12500% 04/13/2018 FIXED COUPON						
MOODYS Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL						
AI \$55.52 EAI \$256.24 CUSIP 472319AK8						
ENTERPRISE PRODUCTS BONDS	5,000,000	116.449	5,421,488	5,750.45	5,822.45	400.97
06 50000% 01/31/2019 FIXED COUPON						
MOODYS Baa3 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL						
AI \$135.42 EAI \$325.00 CUSIP 29379VAC7						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
METLIFE INC NOTES 07 71700% 02/15/2019 FIXED COUPON	5,000,000	125.395	6,086.94B	6,092.10	6,269.75	182.81
MOODYS A3 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$145.77 EAI \$385.84 CUSIP 59156RAT5	5,000,000	128.235	5,573.89B	6,209.60	6,411.75	837.86
VALERO ENERGY CORP 09 37500% 03/15/2019 FIXED COUPON	25,000,000	114.153	25,736.45B	28,135.50	28,538.25	2,801.80
MOODYS Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL AI \$138.02 EAI \$468.74 CUSIP 91913YANO	5,000,000	111.222	6,423.20	5,425.78	5,561.08	- 862.12
FEDERAL HOME LN MTG REFRENCE 3 75000% 03/27/2019 FIXED COUPON	10,000,000	103.422	11,116.69B	9,753.30	10,342.20	- 774.49
MOODYS Aaa S&P AA+ SEMIANNUALLY AI \$244.79 EAI \$937.50 CUSIP 3137EACA5	5,000,000	111.222	6,423.20	5,425.78	5,561.08	- 862.12
ARCELORMITTAL SA LUXEMBOURG 9 85000% 06/01/2019 FIXED COUPON	5,000,000	111.222	6,423.20	5,425.78	5,561.08	- 862.12
MOODYS Baa3 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL AI -- EAI -- CUSIP 03938LAM6	10,000,000	103.422	11,116.69B	9,753.30	10,342.20	- 774.49
BANK AMER FDG CORP SR NT-L 7 62500% 06/01/2019 FIXED COUPON	10,000,000	103.422	11,116.69B	9,753.30	10,342.20	- 774.49
MOODYS Baa1 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$63.54 EAI \$762.50 CUSIP 06051GDZ9	10,000,000	103.422	11,116.69B	9,753.30	10,342.20	- 774.49



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
VALE OVERSEAS LTD GTD NT 5 625000% 09/15/2019 FIXED COUPON MOODY'S Baa2 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI -- EAI --	5,000.000	110.160	5,228.00	5,291.35	5,508.00	280.00
CUSIP 91911TAJ2 AMB PPTY L P NOTE 06 625000% 12/01/2019 FIXED COUPON MOODY'S Baa2 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL AI \$27.60 EAI \$331.24	5,000.000	108.847	5,536.30B	5,369.70	5,442.35	- 93.95
CUSIP 00163MAK0 GOLDMAN SACHS GROUP INC 05 375000% 03/15/2020 FIXED COUPON MOODY'S A1 S&P A- SEMIANNUALLY AI \$158.26 EAI \$537.50	10,000.000	98.950	10,336.52B	9,434.00	9,895.00	- 441.52
CUSIP 38141EA58 NORDSTROM INC NOTE CALL MAKE WHOLE 04 750000% 05/01/2020 FIXED COUPON MOODY'S Baa1 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$39.58 EAI \$237.50	5,000.000	110.837	5,383.63B	5,455.40	5,541.85	158.22
CUSIP 655664AN0 UNITED STATES TREAS 3 500000% 05/15/2020 FIXED COUPON MOODY'S Aaa SEMIANNUALLY AI \$90.38 EAI \$700.00	20,000.000	115.039	21,740.72B	28,351.50	23,007.80	1,267.08
CUSIP 912828ND8						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
GENRL ELEC CAPT CORP NOTE	10,000,000	102.440	9,753.10B	9,753.00	10,244.00	490.90
04 37500% 09/16/2020 FIXED COUPON						
MOODY'S Aa2 S&P AA+ SEMIANNUALLY						
AI \$127.60						
EAI \$437.50						
CUSIP 36962G4R2						
DOW CHEMICAL CO THE NOTE	5,000,000	103.440	5,176.12B	5,029.00	5,172.00	- 4.12
04 25000% 11/15/2020 FIXED COUPON						
MOODY'S Baa3 S&P BBB SEMIANNUALLY						
NEXT CALL DATE						
08/15/2020						
CONT CALL 08/15/2020 MAKE WHOLE CALL						
AI \$27.15						
EAI \$212.50						
CUSIP 260543CC5						
HCP INC NOTE	5,000,000	104.839	5,005.62B	5,162.00	5,241.95	236.33
05 37500% 02/01/2021 FIXED COUPON						
MOODY'S Baa2 S&P BBB SEMIANNUALLY						
NEXT CALL DATE						
12/01/2020						
CONT CALL 12/01/2020 MAKE WHOLE CALL						
AI \$111.98						
EAI \$268.74						
CUSIP 40414LAD1						
UNITEDHEALTH GROUP INC	5,000,000	112.421	5,006.98B	5,521.80	5,621.05	614.07
4 70000% 02/15/2021 FIXED COUPON						
MOODY'S A3 S&P A- SEMIANNUALLY						
MAKE WHOLE CALL						
AI \$88.78						
EAI \$235.00						
CUSIP 91324PBP6						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
DIRECTV HLDGS LLC / SR NT	10,000,000	107.022	10,448.83B	10,373.90	10,702.20	253.37
5 00000% 03/01/2021						
FIXED COUPON						
MOODY'S Baa2 S&P BBB						
SEMIANNUALLY						
MAKE WHOLE CALL						
AI \$166.67						
EAI \$500.00						
CUSIP 25459HBA2						
ALCOA INC SR NT	5,000,000	100.186	5,018.03B	4,763.00	5,009.30	- 8.73
5 40000% 04/15/2021						
FIXED COUPON						
MOODY'S Baa3 S&P BBB-						
SEMIANNUALLY						
NEXT CALL DATE						
01/15/2021						
CONT CALL 01/15/2021						
MAKE WHOLE CALL						
AI \$57.00						
EAI \$270.00						
CUSIP 013817AV3						
CVS CAREMARK CORP NOTE	10,000,000	107.657	10,230.04B	10,400.80	10,765.70	535.66
04 12500% 05/15/2021						
FIXED COUPON						
MOODY'S Baa2 S&P BBB+						
SEMIANNUALLY						
NEXT CALL DATE						
02/15/2021						
CONT CALL 02/15/2021						
MAKE WHOLE CALL						
AI \$52.71						
EAI \$412.50						
CUSIP 126650BW9						
UNITED STATES TREAS 3 12500% 05/15/2021	15,000,000	111.656	16,361.61B	10,975.80	16,748.40	386.79
FIXED COUPON						
MOODY'S Aaa						
SEMIANNUALLY						
AI \$60.53						
EAI \$468.74						
CUSIP 912828QN3						



# Investment Report

December 1, 2011 - December 31, 2011

## Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis	Total Value December 1, 2011	Total Value December 31, 2011	Unrealized Gain (Loss) December 31, 2011
FEDL NATL MTG ASSN POOL #850862	15,000,000	105.505	4,800.59	5,075.25	5,068.45	267.86
5.005% 12/01/2035 ADJUSTABLE COUPON ***UNRATED*** MONTHLY						
CUR FACTOR 0.32026605						
CUR FACE 4803.99						
CUSIP 31408GJF5						
FEDL NATL MTG ASSN POOL #256638	20,000,000	110.222	6,546.21	7,299.62	7,153.50	607.29
6.000% 03/01/2037 FIXED COUPON ***UNRATED*** MONTHLY						
CUR FACTOR 0.32450419						
CUR FACE 6490.08						
CUSIP 31371NBF1						
FEDL NATL MTG ASSN POOL #256749	31,000,000	110.222	11,594.83	12,829.19	12,687.46	1,092.63
6.000% 05/01/2037 FIXED COUPON ***UNRATED*** MONTHLY						
CUR FACTOR 0.37131670						
CUR FACE 11510.82						
CUSIP 31371NEW1						
FEDL NATL MTG ASSN POOL #899717	30,194,000	110.222	9,606.40	11,840.01	11,483.85	1,877.45
6.00000% 09/01/2037 FIXED COUPON ***UNRATED*** MONTHLY						
CUR FACTOR 0.34506340						
CUR FACE 10418.84						
CUSIP 31410WSE9						
<b>Subtotal of Bonds</b>			<b>766,213.27</b>		<b>784,192.97</b>	<b>17,979.70</b>
<b>Core Account 7% of holdings</b>						
FIDELITY MUNICIPAL MONEY MARKET (FTEXX)	75,175.340	1.000	not applicable	73,281.28	75,175.34	not applicable
7-day Yield 0.01%						



# Investment Report

December 1, 2011 - December 31, 2011

**Brokerage 579-938424** THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2011	Quantity December 31, 2011	Price per Unit December 31, 2011	Total Cost Basis		Total Value		Unrealized Gain (Loss) December 31, 2011
			December 31, 2011	December 1, 2011	December 31, 2011	December 1, 2011	
<b>Subtotal of Core Account</b>							
			\$ 975,046.28	GL	\$ 1,068,339.00		\$ 18,117.38
						75,175.34	

Total

All positions held in cash account unless indicated otherwise

B - See Cost Basis Information and Endnotes for important information about the adjusted cost basis information provided

Cost Basis - the original amount paid for a security, including the amount of reinvested dividends and capital gains, plus or minus certain adjustments See last page of statement for details Total Cost Basis does not include the cost basis on core, money market or other positions where cost basis is unknown or not applicable

-- not available

AI (Accrued Interest) - Presented for domestic fixed income securities and represents interest accumulated since the last coupon date, but not yet paid by the issuer or received by NFS AI is calculated for the following securities: fixed rate bonds and Certificates of Deposit (CDs) **There is no guarantee that AI will be paid by the issuer.** AI for treasury and GNMA securities, however, is backed by the full faith and credit of the United States Government AI totals represent accruals for only those securities with listed AI in the Holdings section of this statement Please refer to the Help/Glossary section of Fidelity.com for additional information

EAI (Estimated Annual Income) - An estimate of annual income for a specific fixed income security position over the next rolling 12 months EAI is calculated for the following securities: fixed rate bonds and Certificates of Deposit (CDs) **EAI is an estimate only and there is no guarantee that you will actually receive the income listed for any or all of the specific securities for which EAI is provided.** Your actual income and yield may be higher or lower EAI should not be relied upon for making investment, trading or tax decisions There are circumstances in which EAI will not be calculated for a specific security Please refer to the Help/Glossary section of Fidelity.com for additional information including specific calculations

# Application for Extension of Time To File an Exempt Organization Return

OMB No 1545 1709

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868

**Electronic filing (e-file)** You can electronically file Form 8868 if you need a 3 month automatic extension of time to file (6 months for a corporation required to file Form 990 T) or an additional (not automatic) 3 month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*

**Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed)**

A corporation required to file Form 990 T and requesting an automatic 6 month extension - check this box and complete Part I only

All other corporations (including 1120-C filers) partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

<b>Type or print</b>	Name of exempt organization or other filer see instructions <b>THE PAUL D. WASSEROTT FOUNDATION</b>	Employer identification number (EIN) or <input checked="" type="checkbox"/> <b>04-3729982</b>
File by the due date for filing your return See instructions	Number, street and room or suite no. If a P O box, see instructions <b>PO BOX 349</b>	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state and ZIP code For a foreign address, see instructions <b>WILKES BARRE, PA 18703</b>	

Enter the Return code for the return that this application is for (file a separate application for each return) **04**

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041 A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990 T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990 T (trust other than above)	06	Form 8870	12

**PAUL D. WASSEROTT**

• The books are in the care of ▶ **PO BOX 349 - WILKES BARRE, PA 18703**  
 Telephone No ▶ **570.696.4250** FAX No ▶ \_\_\_\_\_

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ If this is for the whole group, check this box  If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for \_\_\_\_\_

**1** I request an automatic 3 month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2012**, to file the exempt organization return for the organization named above. The extension is for the organization's return for  
 ▶  calendar year **2011** or  
 ▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

**2** If the tax year entered in line 1 is for less than 12 months check reason  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Form 990 BL 990 PF 990 T 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	<b>3a</b>	S	<b>8,867.</b>
<b>b</b> If this application is for Form 990 PF 990 T 4720 or 6069 enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	<b>3b</b>	S	<b>2,867.</b>
<b>c</b> <b>Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	<b>3c</b>	S	<b>6,000.</b>

**Caution** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879 EO for payment instructions