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

2011

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<br><b>LILLIAN S. WELLS FOUNDATION, INC.</b>  |  | A Employer identification number<br><b>23-7433827</b>   |
| Number and street (or P O box number if mail is not delivered to street address)<br><b>600 SAGAMORE ROAD</b>  |  | B Telephone number<br><b>954-712-9912</b>   |
| City or town, state, and ZIP code<br><b>FORT LAUDERDALE, FL 33301</b>   |  | C If exemption application is pending, check here <input type="checkbox"/>  |
| G Check all that apply:<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Final return<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Initial return of a former public charity<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Name change |  | D 1. Foreign organizations, check here <input type="checkbox"/><br>Foreign organizations meeting the 85% test,<br>2. check here and attach computation <input type="checkbox"/> |
| H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation<br><input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation   |  | E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>   |
| I Fair market value of all assets at end of year (from Part II, col. (c), line 16)<br><b>\$ 40,746,146.</b>   | J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual<br><input type="checkbox"/> Other (specify) _____ | F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>  |

| Part I Analysis of Revenue and Expenses<br>(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   |  |                                    |                           | 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   |  | 265,200.                           | 265,200.                  |                         | STATEMENT 1   |
| 4 Dividends and interest from securities   |  | 647,156.                           | 647,156.                  |                         | STATEMENT 2   |
| 5a Gross rents   |  |                                    |                           |                         |   |
| b Net rental income or (loss)  |  |                                    |                           |                         |   |
| 6a Net gain or (loss) from sale of assets not on line 10   |  | 1,986,414.                         |                           |                         |   |
| b Gross sales price for all assets on line 6a <b>22,272,108.</b>   |  |                                    |                           |                         |   |
| 7 Capital gain net income (from Part IV, line 2)   |  |                                    | 1,986,414.                |                         |   |
| 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   |  | 2,898,770.                         | 2,898,770.                |                         |   |
| 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  |  | 1,785.                             | 1,785.                    |                         | 0.  |
| b Accounting fees STMT 4   |  | 15,520.                            | 15,520.                   |                         | 0.  |
| c Other professional fees STMT 5   |  | 250,606.                           | 250,606.                  |                         | 0.  |
| 17 Interest  |  |                                    |                           |                         |   |
| 18 Taxes STMT 6  |  | 93,120.                            | 20,819.                   |                         | 0.  |
| 19 Depreciation and depletion  |  |                                    |                           |                         |   |
| 20 Occupancy   |  |                                    |                           |                         |   |
| 21 Travel, conferences, and meetings   |  |                                    |                           |                         |   |
| 22 Printing and publications   |  |                                    |                           |                         |   |
| 23 Other expenses STMT 7   |  | 907.                               | 383.                      |                         | 0.  |
| 24 Total operating and administrative expenses. Add lines 13 through 23  |  | 361,938.                           | 289,113.                  |                         | 0.  |
| 25 Contributions, gifts, grants paid   |  | 2,979,534.                         |                           |                         | 2,979,534.  |
| 26 Total expenses and disbursements. Add lines 24 and 25   |  | 3,341,472.                         | 289,113.                  |                         | 2,979,534.  |
| 27 Subtract line 26 from line 12:  |  |                                    |                           |                         |   |
| a Excess of revenue over expenses and disbursements  |  | <442,702.>                         |                           |                         |   |
| b Net investment income (if negative, enter -0-)   |  |                                    | 2,609,657.                |                         |   |
| c Adjusted net income (if negative, enter -0-)   |  |                                    |                           | N/A                     |   |

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Operating and Administrative Expenses

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| 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  |             | 2,602,374.        | 1,772,631.     | 1,772,631.            |
|                             | 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 9                                      |             | 5,305,642.        | 4,792,232.     | 4,900,024.            |
|                             | b   | Investments - corporate stock STMT 10   |             | 22,030,822.       | 22,292,342.    | 27,085,442.           |
|                             | c   | Investments - corporate bonds STMT 11   |             | 1,212,626.        | 918,492.       | 969,482.              |
| 11                          | Investments - land, buildings, and equipment basis ▶                                      |   |             |                   |                |                       |
|                             | Less: accumulated depreciation ▶  |   |             |                   |                |                       |
| 12                          | Investments - mortgage loans  |   |             |                   |                |                       |
| 13                          | Investments - other STMT 12   |   | 4,166,539.  | 5,113,357.        | 5,958,367.     |                       |
| 14                          | Land, buildings, and equipment: basis ▶ 13,315.   |   |             |                   |                |                       |
|                             | Less: accumulated depreciation STMT 13 ▶ 13,315.  |   |             |                   |                |                       |
| 15                          | Other assets (describe ▶ STATEMENT 14)  |   | 73,953.     | 60,200.           | 60,200.        |                       |
| 16                          | Total assets (to be completed by all filers)  |   | 35,391,956. | 34,949,254.       | 40,746,146.    |                       |
| 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  |             | 27,852,279.       | 27,852,279.    |                       |
| 28                          | Paid-in or capital surplus, or land, bldg., and equipment fund                            |   | 0.          | 0.                |                |                       |
| 29                          | Retained earnings, accumulated income, endowment, or other funds                          |   | 7,539,677.  | 7,096,975.        |                |                       |
| 30                          | Total net assets or fund balances   |   | 35,391,956. | 34,949,254.       |                |                       |
| 31                          | Total liabilities and net assets/fund balances  |   | 35,391,956. | 34,949,254.       |                |                       |

## 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<br>(must agree with end-of-year figure reported on prior year's return) | 1 | 35,391,956. |
| 2 | Enter amount from Part I, line 27a  | 2 | <442,702.>  |
| 3 | Other increases not included in line 2 (itemize) ▶  | 3 | 0.          |
| 4 | Add lines 1, 2, and 3   | 4 | 34,949,254. |
| 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 | 34,949,254. |

**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<br>P - Purchase<br>D - Donation   | (c) Date acquired<br>(mo., day, yr.)  | (d) Date sold<br>(mo., day, yr.) |
|--|--|--|---|----------------------------------|
| <b>1a</b>  |  |  |   |                                  |
| <b>b SEE ATTACHED STATEMENTS</b>   |  |  |   |                                  |
| <b>c</b>   |  |  |   |                                  |
| <b>d</b>   |  |  |   |                                  |
| <b>e</b>   |  |  |   |                                  |
| (e) Gross sales price  | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale  | (h) Gain or (loss)<br>(e) plus (f) minus (g)  |                                  |
| <b>a</b>   |  |  |   |                                  |
| <b>b</b>   |  |  |   |                                  |
| <b>c</b>   |  |  |   |                                  |
| <b>d</b>   |  |  |   |                                  |
| <b>e 22,272,108.</b>   |  | <b>20,285,694.</b>   | <b>1,986,414.</b>   |                                  |
| 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<br>as of 12/31/69       | (k) Excess of col. (i)<br>over col. (j), if any  | (l) Gains (Col. (h) gain minus<br>col. (k), but not less than -0-) or<br>Losses (from col. (h)) |                                  |
| <b>a</b>   |  |  |   |                                  |
| <b>b</b>   |  |  |   |                                  |
| <b>c</b>   |  |  |   |                                  |
| <b>d</b>   |  |  |   |                                  |
| <b>e</b>   |  |  | <b>1,986,414.</b>   |                                  |
| <b>2 Capital gain net income or (net capital loss)</b>   |  | <div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;">           If gain, also enter in Part I, line 7<br/>           If (loss), enter -0- in Part I, line 7         </div> <div style="margin-left: 10px;"> <b>2</b> </div> </div>              |   | <b>1,986,414.</b>                |
| <b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):</b>   |  | <div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;">           If gain, also enter in Part I, line 8, column (c).<br/>           If (loss), enter -0- in Part I, line 8         </div> <div style="margin-left: 10px;"> <b>3</b> </div> </div> |   | <b>N/A</b>                       |

**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)<br>Base period years<br>Calendar year (or tax year beginning in)  | (b)<br>Adjusted qualifying distributions | (c)<br>Net value of noncharitable-use assets | (d)<br>Distribution ratio<br>(col. (b) divided by col. (c)) |
|---|--|--|---|
| 2010  | 3,500,536.                               | 40,874,159.                                  | .085642   |
| 2009  | 3,314,677.                               | 39,437,687.                                  | .084048   |
| 2008  | 4,997,146.                               | 47,477,226.                                  | .105254   |
| 2007  | 5,389,116.                               | 57,330,993.                                  | .094000   |
| 2006  | 3,518,377.                               | 42,971,050.                                  | .081878   |
| <b>2 Total of line 1, column (d)</b>  |  |  | <b>2 .450822</b>  |
| <b>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</b> |  |  | <b>3 .090164</b>  |
| <b>4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5</b>   |  |  | <b>4 41,950,445.</b>  |
| <b>5 Multiply line 4 by line 3</b>  |  |  | <b>5 3,782,420.</b>   |
| <b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>   |  |  | <b>6 26,097.</b>  |
| <b>7 Add lines 5 and 6</b>  |  |  | <b>7 3,808,517.</b>   |
| <b>8 Enter qualifying distributions from Part XII, line 4</b>   |  |  | <b>8 2,979,534.</b>   |

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.<br>Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions) |            | 1  | 52,193. |
| 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  |            | 2  | 0.      |
| c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).   |            | 3  | 52,193. |
| 2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)  |            | 4  | 0.      |
| 3 Add lines 1 and 2  |            | 5  | 52,193. |
| 4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)  |            |    |         |
| 5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-  |            |    |         |
| 6 Credits/Payments:  |            |    |         |
| a 2011 estimated tax payments and 2010 overpayment credited to 2011  | 6a 47,460. | 7  | 81,060. |
| b Exempt foreign organizations - tax withheld at source  | 6b         | 8  | 75.     |
| c Tax paid with application for extension of time to file (Form 8868)  | 6c 33,600. | 9  |         |
| d Backup withholding erroneously withheld  | 6d         | 10 | 28,792. |
| 7 Total credits and payments. Add lines 6a through 6d  |            | 11 | 0.      |
| 8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached   |            |    |         |
| 9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed  |            |    |         |
| 10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid   |            |    |         |
| 11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input type="checkbox"/> 28,792. Refunded <input type="checkbox"/>  |            |    |         |

**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  |
| b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?<br>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  |
| c Did the foundation file Form 1120-POL for this year?  |     | X  |
| d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:<br>(1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers <input 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 type="checkbox"/> \$ 0.  |     |    |
| 2 Has the foundation engaged in any activities that have not previously been reported to the IRS?<br>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?<br>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:<br>• By language in the governing instrument, or<br>• 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?<br>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 type="checkbox"/> FL   |     |    |
| 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 2011 or the taxable year beginning in 2011 (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  |

N/A

Form 990-PF (2011)

**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?   | 13              | X                   |    |
| Website address ► <b>NONE</b> |   |                 |                     |    |
| 14                            | The books are in care of ► <b>J. PALMIERI</b>   | Telephone no. ► | <b>954-712-9912</b> |    |
|                               | Located at ► <b>600 SAGAMORE ROAD, FORT LAUDERDALE, FL</b>  | ZIP+4 ►         | <b>33301</b>        |    |
| 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? | 16              | Yes                 | No |
|                               | See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►  |                 |                     | X  |

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

| File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. |  | Yes | No |
|---|--|-----|----|
| 1a  | During the year did the foundation (either directly or indirectly):  |     |    |
| (1)   | Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |    |
| (2)   | Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |    |
| (3)   | Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |    |
| (4)   | Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |     |    |
| (5)   | Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |     |    |
| (6)   | Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |     |    |
| b   | If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>   | 1b  | X  |
| c   | Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |     |    |
|   | If "Yes," list the years ► _____ , _____ , _____ , _____   |     |    |
| b   | Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement - see instructions.) <b>N/A</b>   | 2b  |    |
| c   | If the provisions of section 4942(a)(2) are being applied to <b>any</b> 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 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.) <b>N/A</b> | 3b  |    |
| 4a  | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?  | 4a  | X  |
| b   | Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?  | 4b  | X  |

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**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

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

6b

X

If "Yes" to 6b, file Form 8870

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

☐ Yes ☒ No

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

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 |
|----------------------|---|---|---|---------------------------------------|
| SEE STATEMENT 15     |   | 0.  | 0.  | 0.                                    |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |
|                      |   |   |   |                                       |

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

| (a) Name and address of each employee paid more than \$50,000 | (b) Title, and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|---|------------------|---|---------------------------------------|
| NONE  |   |                  |   |                                       |
|   |   |                  |   |                                       |
|   |   |                  |   |                                       |
|   |   |                  |   |                                       |
|   |   |                  |   |                                       |
|   |   |                  |   |                                       |
|   |   |                  |   |                                       |
|   |   |                  |   |                                       |
|   |   |                  |   |                                       |

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

0

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## 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

|                  |  |
|------------------|--|
| <b>Part IX-A</b> | <b>Summary of Direct Charitable Activities</b> |
|------------------|--|

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 |     |  |
|   |     |  |
|   |     |  |

|                  |   |
|------------------|---|
| <b>Part IX-B</b> | <b>Summary of Program-Related Investments</b> |
|------------------|---|

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.

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**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 | 39,914,491. |
| b | Average of monthly cash balances  | 1b | 1,460,806.  |
| c | Fair market value of all other assets   | 1c | 1,213,987.  |
| d | <b>Total</b> (add lines 1a, b, and c)   | 1d | 42,589,284. |
| 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  | 42,589,284. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)   | 4  | 638,839.    |
| 5 | <b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5  | 41,950,445. |
| 6 | <b>Minimum investment return.</b> Enter 5% of line 5  | 6  | 2,097,522.  |

**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  | 2,097,522. |
| 2a | Tax on investment income for 2011 from Part VI, line 5  | 2a | 52,193.    |
| b  | Income tax for 2011. (This does not include the tax from Part VI.)  | 2b |            |
| c  | Add lines 2a and 2b   | 2c | 52,193.    |
| 3  | Distributable amount before adjustments. Subtract line 2c from line 1                                     | 3  | 2,045,329. |
| 4  | Recoveries of amounts treated as qualifying distributions   | 4  | 0.         |
| 5  | Add lines 3 and 4   | 5  | 2,045,329. |
| 6  | Deduction from distributable amount (see instructions)  | 6  | 0.         |
| 7  | <b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 | 7  | 2,045,329. |

**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 | 2,979,534. |
| 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  | 2,979,534. |
| 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  | 2,979,534. |

**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.

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

|   | (a)<br>Corpus | (b)<br>Years prior to 2010 | (c)<br>2010 | (d)<br>2011 |
|---|---------------|----------------------------|-------------|-------------|
| <b>1</b> Distributable amount for 2011 from Part XI, line 7   |               |                            |             | 2,045,329.  |
| <b>2</b> Undistributed income, if any, as of the end of 2011  |               |                            |             |             |
| <b>a</b> Enter amount for 2010 only   |               |                            | 0.          |             |
| <b>b</b> Total for prior years:   |               | 0.                         |             |             |
| <b>3</b> Excess distributions carryover, if any, to 2011:   |               |                            |             |             |
| <b>a</b> From 2006  | 1,553,070.    |                            |             |             |
| <b>b</b> From 2007  | 2,555,134.    |                            |             |             |
| <b>c</b> From 2008  | 2,678,047.    |                            |             |             |
| <b>d</b> From 2009  | 1,361,571.    |                            |             |             |
| <b>e</b> From 2010  | 1,501,129.    |                            |             |             |
| <b>f</b> Total of lines 3a through e  | 9,648,951.    |                            |             |             |
| <b>4</b> Qualifying distributions for 2011 from Part XII, line 4: ▶ \$  | 2,979,534.    |                            |             |             |
| <b>a</b> Applied to 2010, but not more than line 2a   |               |                            | 0.          |             |
| <b>b</b> Applied to undistributed income of prior years (Election required - see instructions)  |               | 0.                         |             |             |
| <b>c</b> Treated as distributions out of corpus (Election required - see instructions)  | 0.            |                            |             |             |
| <b>d</b> Applied to 2011 distributable amount   |               |                            |             | 2,045,329.  |
| <b>e</b> Remaining amount distributed out of corpus   | 934,205.      |                            |             |             |
| <b>5</b> Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))   | 0.            |                            |             | 0.          |
| <b>6</b> Enter the net total of each column as indicated below:   |               |                            |             |             |
| <b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5  | 10,583,156.   |                            |             |             |
| <b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b   |               | 0.                         |             |             |
| <b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed |               | 0.                         |             |             |
| <b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions   |               | 0.                         |             |             |
| <b>e</b> Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.  |               |                            | 0.          |             |
| <b>f</b> Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012  |               |                            |             | 0.          |
| <b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)   | 0.            |                            |             |             |
| <b>8</b> Excess distributions carryover from 2006 not applied on line 5 or line 7   | 1,553,070.    |                            |             |             |
| <b>9</b> Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a  | 9,030,086.    |                            |             |             |
| <b>10</b> Analysis of line 9:   |               |                            |             |             |
| <b>a</b> Excess from 2007   | 2,555,134.    |                            |             |             |
| <b>b</b> Excess from 2008   | 2,678,047.    |                            |             |             |
| <b>c</b> Excess from 2009   | 1,361,571.    |                            |             |             |
| <b>d</b> Excess from 2010   | 1,501,129.    |                            |             |             |
| <b>e</b> Excess from 2011   | 934,205.      |                            |             |             |

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income

[illegible]

2011.04010 LILLIAN S. WELLS FOUNDATION FEJ-56A1

**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)   |   |                                |  |            |
| <b>a Paid during the year</b>   |   |                                |  |            |
| MISS PORTER'S SCHOOL<br>60 MAIN STREET<br>FARMINGTON, CT 06032                      | NO RELATIONSHIP   | PUBLIC                         | GENERAL PURPOSES   | 50,000.    |
| CHILDRENS MEMORIAL FDN<br>2300 CHILDREN'S MEMORIAL PLAZA BOX 4<br>CHICAGO, IL 60000 | NO RELATIONSHIP   | PUBLIC                         | BUILDING FUND - SCHOOL<br>HEALTH CENTER                    | 400,000.   |
| CLARE BOOTH LUCE POLICY INSTITUTE<br>112 ELDEN STREET, SUITE P<br>HERNDON, VA 20170 | NO RELATIONSHIP   | PUBLIC                         | FOR WEBSITE<br>DEVELOPMENT & SUPPORT<br>- CENTER FOR WOMEN | 25,000.    |
| HANDY<br>501 NE 8TH STREET<br>FORT LAUDERDALE, FL 33304                             | NO RELATIONSHIP   | PUBLIC                         | GRANT TO SUPPORT LIFE<br>SCHOLARS PROGRAM                  | 50,000.    |
| HERITAGE FOUNDATION<br>214 MASSACHUSETTS AVE<br>WASHINGTON, DC 20002                | NO RELATIONSHIP   | PUBLIC                         | FOR HEALTH STUDIES<br>CENTER                               | 500,000.   |
| <b>Total</b> SEE CONTINUATION SHEET(S) ▶ 3a   |   |                                |  | 2,979,534. |
| <b>b Approved for future payment</b>  |   |                                |  |            |
| NONE  |   |                                |  |            |
|   |   |                                |  |            |
|   |   |                                |  |            |
| <b>Total</b> ▶ 3b   |   |                                |  | 0.         |

**Part XV Supplementary Information****3 Grants and Contributions Paid During the Year (Continuation)**

| Recipient<br>Name and address (home or business)   | If recipient is an individual,<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution   | Amount            |
|--|--|--------------------------------------|---|-------------------|
| INSTITUTE FOR JUSTICE<br>901 N GLEBE ROAD, SUITE 900<br>ARLINGTON, VA 22203                    | NO RELATIONSHIP  | PUBLIC                               | CONTRIBUTIONS FOR<br>GENERAL OPERATING<br>EXPENSES                                      | 25,000.           |
| JAMES MADISON INSTITUTE<br>2017 DELTA BOULEVARD<br>TALLAHASSEE, FL 32303                       | NO RELATIONSHIP  | PUBLIC                               | FOR THE CIVICS<br>EDUCATION PROJECT   | 70,000.           |
| PHILANTHROPY ROUNDTABLE<br>1730 M STREET NW, SUITE 601<br>WASHINGTON, DC 20036                 | NO RELATIONSHIP  | PUBLIC                               | GENERAL PURPOSES  | 50,000.           |
| UNIVERSITY OF FLORIDA FOUNDATION<br>P O BOX 100243<br>GAINESVILLE, FL 32610                    | NO RELATIONSHIP  | PUBLIC                               | FOR SCHOOL OF<br>MEDICINE; DEPARTMENT<br>OF NEUROSURGERY                                | 484,534.          |
| MUSEUM OF ART FORT LAUDERDALE<br>1 EAST LAS OLAS BOULEVARD<br>FORT LAUDERDALE, FL 33301        | NO RELATIONSHIP  | PUBLIC                               | GENERAL PURPOSE   | 50,000.           |
| BROWARD HEALTH FOUNDATION<br>12 SE 12 STREET<br>FORT LAUDERDALE, FL 33316                      | NO RELATIONSHIP  | PUBLIC                               | ESTABLISH THE LILLIAN<br>S WELLS WOMEN'S CENTER<br>AT BROWARD GENERAL<br>MEDICAL CENTER | 1,250,000.        |
| AMERICAN COUNCIL OF TRUSTEES AND<br>ALUMNI<br>1726 M STREET, SUITE 802<br>WASHINGTON, DC 20036 | NO RELATIONSHIP  | PUBLIC                               | GENERAL PURPOSE   | 25,000.           |
|  |  |                                      |   |                   |
|  |  |                                      |   |                   |
|  |  |                                      |   |                   |
| <b>Total from continuation sheets</b>  |  |                                      |   | <b>1,954,534.</b> |



## Part XVII

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

- |          |  | Yes          | No       |
|----------|--|--------------|----------|
| <b>1</b> | 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?  |              |          |
| <b>a</b> | Transfers from the reporting foundation to a noncharitable exempt organization of:   |              |          |
|          | (1) Cash   | <b>1a(1)</b> | <b>X</b> |
|          | (2) Other assets   | <b>1a(2)</b> | <b>X</b> |
| <b>b</b> | Other transactions:  |              |          |
|          | (1) Sales of assets to a noncharitable exempt organization   | <b>1b(1)</b> | <b>X</b> |
|          | (2) Purchases of assets from a noncharitable exempt organization   | <b>1b(2)</b> | <b>X</b> |
|          | (3) Rental of facilities, equipment, or other assets   | <b>1b(3)</b> | <b>X</b> |
|          | (4) Reimbursement arrangements   | <b>1b(4)</b> | <b>X</b> |
|          | (5) Loans or loan guarantees   | <b>1b(5)</b> | <b>X</b> |
|          | (6) Performance of services or membership or fundraising solicitations   | <b>1b(6)</b> | <b>X</b> |
| <b>c</b> | Sharing of facilities, equipment, mailing lists, other assets, or paid employees   | <b>1c</b>    | <b>X</b> |
| <b>d</b> | 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                      |                          |                                 |
|                          |                          |                                 |
|                          |                          |                                 |
|                          |                          |                                 |
|                          |                          |                                 |

**Sign  
Here**

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) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instr )?

☒ Yes    ☐ No

Signature of officer or trustee

Date \_\_\_\_\_

Title

DIRECTOR

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

FRANK E. JAUMOT,  
CPA

Preparer's signature

John E. Smith, D.A.

Date \_\_\_\_\_

7/24/12

Check ☐ if  
self-employed

|      |
|------|
| PTIN |
|------|

P00079405

Firm's name ► **AHEARN, JASCO + COMPANY, P.A.**

Firm's EIN ► 59-2008973

Firm's address ► 190 S.E. 19TH AVENUE  
POMPANO BEACH, FL 33060-7541

Phone no. (954) 781-8800

Form **990-PF** (2011)

**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,<br>2-story brick warehouse; or common stock, 200 shs. MLC Co. |                                       | (b) How acquired<br>P - Purchase<br>D - Donation | (c) Date acquired<br>(mo., day, yr.) | (d) Date sold<br>(mo., day, yr.) |
|--|---------------------------------------|--|--------------------------------------|----------------------------------|
| 1a   | PUBLICLY TRADED SECURITIES MS (25691) |  |                                      |                                  |
| b  | PUBLICLY TRADED SECURITIES MS (25692) |  |                                      |                                  |
| c  | PUBLICLY TRADED SECURITIES MS (25693) |  |                                      |                                  |
| d  | PUBLICLY TRADED SECURITIES MS (25694) |  |                                      |                                  |
| e  | PUBLICLY TRADED SECURITIES MS (25696) |  |                                      |                                  |
| f  | PUBLICLY TRADED SECURITIES MS (25697) |  |                                      |                                  |
| g  | PUBLICLY TRADED SECURITIES MS (25698) |  |                                      |                                  |
| h  | PUBLICLY TRADED SECURITIES MS (25699) |  |                                      |                                  |
| i  | PUBLICLY TRADED SECURITIES MS (25700) |  |                                      |                                  |
| j  | PUBLICLY TRADED SECURITIES MS (25691) |  |                                      |                                  |
| k  | PUBLICLY TRADED SECURITIES MS (25692) |  |                                      |                                  |
| l  | PUBLICLY TRADED SECURITIES MS (25693) |  |                                      |                                  |
| m  | PUBLICLY TRADED SECURITIES MS (25694) |  |                                      |                                  |
| n  | PUBLICLY TRADED SECURITIES MS (25696) |  |                                      |                                  |
| o  | PUBLICLY TRADED SECURITIES MS (25697) |  |                                      |                                  |

| (e) Gross sales price | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale | (h) Gain or (loss)<br>(e) plus (f) minus (g) |
|-----------------------|--|---|--|
| a                     | 35,937.                                    | 35,888.   | 49.  |
| b                     | 22,118.                                    | 27,811.   | <5,693.>                                     |
| c                     | 3,386,849.                                 | 3,077,161.                                      | 309,688.                                     |
| d                     | 1,793,898.                                 | 2,001,968.                                      | <208,070.>                                   |
| e                     | 91,287.                                    | 65,925.   | 25,362.                                      |
| f                     | 211,997.                                   | 204,079.  | 7,918.                                       |
| g                     | 324,985.                                   | 307,476.  | 17,509.                                      |
| h                     | 2,797,327.                                 | 2,782,326.                                      | 15,001.                                      |
| i                     | 1,470,107.                                 | 1,505,925.                                      | <35,818.>                                    |
| j                     | 2,172,129.                                 | 2,107,934.                                      | 64,195.                                      |
| k                     | 805,751.                                   | 599,391.  | 206,360.                                     |
| l                     | 856,479.                                   | 569,980.  | 286,499.                                     |
| m                     | 2,682,419.                                 | 2,908,152.                                      | <225,733.>                                   |
| n                     | 644,189.                                   | 381,799.  | 262,390.                                     |
| o                     | 1,166,914.                                 | 861,124.  | 305,790.                                     |

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<br>as of 12/31/69 | (k) Excess of col. (i)<br>over col. (j), if any | (l) Losses (from col. (h))<br>Gains (excess of col. (h) gain over col. (k),<br>but not less than "-0-") |
|---------------------------|--------------------------------------|---|---|
| a                         |                                      |   | 49.   |
| b                         |                                      |   | <5,693.>  |
| c                         |                                      |   | 309,688.  |
| d                         |                                      |   | <208,070.>  |
| e                         |                                      |   | 25,362.   |
| f                         |                                      |   | 7,918.  |
| g                         |                                      |   | 17,509.   |
| h                         |                                      |   | 15,001.   |
| i                         |                                      |   | <35,818.>   |
| j                         |                                      |   | 64,195.   |
| k                         |                                      |   | 206,360.  |
| l                         |                                      |   | 286,499.  |
| m                         |                                      |   | <225,733.>  |
| n                         |                                      |   | 262,390.  |
| o                         |                                      |   | 305,790.  |

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7  
If (loss), enter "-0-" in Part I, line 7 }

2

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):  
If gain, also enter in Part I, line 8, column (c).  
If (loss), enter "-0-" in Part I, line 8 }

3

**Part IV** Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold, e.g., real estate,<br>2-story brick warehouse; or common stock, 200 shs. MLC Co. |                                       | (b) How acquired<br>P - Purchase<br>D - Donation | (c) Date acquired<br>(mo., day, yr.) | (d) Date sold<br>(mo., day, yr.) |
|--|---------------------------------------|--|--------------------------------------|----------------------------------|
| 1a   | PUBLICLY TRADED SECURITIES MS (25698) |  |                                      |                                  |
| b  | PUBLICLY TRADED SECURITIES MS (25699) |  |                                      |                                  |
| c  | PUBLICLY TRADED SECURITIES MS (25700) |  |                                      |                                  |
| d  | CAPITAL GAINS DIVIDENDS               |  |                                      |                                  |
| e  |                                       |  |                                      |                                  |
| f  |                                       |  |                                      |                                  |
| g  |                                       |  |                                      |                                  |
| h  |                                       |  |                                      |                                  |
| i  |                                       |  |                                      |                                  |
| j  |                                       |  |                                      |                                  |
| k  |                                       |  |                                      |                                  |
| l  |                                       |  |                                      |                                  |
| m  |                                       |  |                                      |                                  |
| n  |                                       |  |                                      |                                  |
| o  |                                       |  |                                      |                                  |

| (e) Gross sales price | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale | (h) Gain or (loss)<br>(e) plus (f) minus (g) |
|-----------------------|--|---|--|
| a                     | 1,105,343.                                 | 558,671.  | 546,672.                                     |
| b                     | 1,666,913.                                 | 1,235,227.                                      | 431,686.                                     |
| c                     | 1,011,025.                                 | 1,054,857.                                      | <43,832.>                                    |
| d                     | 26,441.                                    |   | 26,441.                                      |
| e                     |  |   |  |
| f                     |  |   |  |
| 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<br>as of 12/31/69 | (k) Excess of col. (i)<br>over col. (j), if any | (l) Losses (from col. (h))<br>Gains (excess of col. (h) gain over col. (k),<br>but not less than "-0-") |
|---------------------------|--------------------------------------|---|---|
| a                         |                                      |   | 546,672.  |
| b                         |                                      |   | 431,686.  |
| c                         |                                      |   | <43,832.>   |
| d                         |                                      |   | 26,441.   |
| e                         |                                      |   |   |
| f                         |                                      |   |   |
| 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<br>If (loss), enter "-0-" in Part I, line 7 }   | 2 | 1,986,414. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):<br>If gain, also enter in Part I, line 8, column (c).<br>If (loss), enter "-0-" in Part I, line 8 } | 3 | N/A        |

| Asset No | Description         | Date Acquired | Method | Life | Line No | Unadjusted Cost Or Basis | Bus % Excl | * Reduction In Basis | Basis For Depreciation | Accumulated Depreciation | Current Sec 179 | Current Year Deduction |
|----------|---------------------|---------------|--------|------|---------|--------------------------|------------|----------------------|------------------------|--------------------------|-----------------|------------------------|
| 1        | COMPUTER SOFTWARE   | 080107        |        | 36M  | 43      | 13,315.                  |            |                      | 13,315.                | 13,315.                  |                 | 0.                     |
|          | * TOTAL 990-PF PG 1 |               |        |      |         | 13,315.                  |            | 0.                   | 13,315.                | 13,315.                  | 0.              | 0.                     |
|          | DEPR & AMORT        |               |        |      |         |                          |            |                      |                        |                          |                 |                        |

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

| SOURCE   | AMOUNT   |
|--|----------|
| ACCRUED INTEREST ON PURCHASES, NET             | 48,256.  |
| KKR FINANCIAL HOLDINGS, LLC                    | 756.     |
| MORGAN STANLEY - (25691)                       | 104,925. |
| MORGAN STANLEY - (25700)                       | 96,363.  |
| MORGAN STANLEY - OID (25700)                   | 14,887.  |
| NORTHERN TRUST - CHECKING                      | 13.      |
| TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A | 265,200. |

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

| SOURCE                           | GROSS AMOUNT | CAPITAL GAINS<br>DIVIDENDS | COLUMN (A)<br>AMOUNT |
|----------------------------------|--------------|----------------------------|----------------------|
| MORGAN STANLEY (25690)           | 70,325.      | 0.                         | 70,325.              |
| MORGAN STANLEY (25691)           | 28,719.      | 24,820.                    | 3,899.               |
| MORGAN STANLEY (25692)           | 95,796.      | 1,458.                     | 94,338.              |
| MORGAN STANLEY (25693)           | 15,616.      | 0.                         | 15,616.              |
| MORGAN STANLEY (25694)           | 131,286.     | 0.                         | 131,286.             |
| MORGAN STANLEY (25695)           | 39,166.      | 0.                         | 39,166.              |
| MORGAN STANLEY (25696)           | 34,643.      | 80.                        | 34,563.              |
| MORGAN STANLEY (25697)           | 104,626.     | 0.                         | 104,626.             |
| MORGAN STANLEY (25698)           | 9,862.       | 83.                        | 9,779.               |
| MORGAN STANLEY (25699)           | 47,586.      | 0.                         | 47,586.              |
| MORGAN STANLEY (25700)           | 95,972.      | 0.                         | 95,972.              |
| TOTAL TO FM 990-PF, PART I, LN 4 | 673,597.     | 26,441.                    | 647,156.             |

## FORM 990-PF LEGAL FEES STATEMENT 3

| DESCRIPTION                           | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |
|---------------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| LEGAL FEES, SEE STATEMENT<br>ATTACHED | 1,785.                       | 1,785.                            |                               | 0.                            |
| TO FM 990-PF, PG 1, LN 16A            | 1,785.                       | 1,785.                            |                               | 0.                            |

| FORM 990-PF                                | ACCOUNTING FEES              |                                   |                               | STATEMENT                     | 4 |
|--|------------------------------|-----------------------------------|-------------------------------|-------------------------------|---|
| DESCRIPTION                                | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |   |
| ACCOUNTING FEES, SEE<br>STATEMENT ATTACHED | 15,520.                      | 15,520.                           |                               | 0.                            |   |
| TO FORM 990-PF, PG 1, LN 16B               | 15,520.                      | 15,520.                           |                               | 0.                            |   |

| FORM 990-PF   | OTHER PROFESSIONAL FEES      |                                   |                               | STATEMENT                     | 5 |
|---|------------------------------|-----------------------------------|-------------------------------|-------------------------------|---|
| DESCRIPTION   | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |   |
| INVESTMENT ADVISORY FEES,<br>SEE STATEMENT ATTACHED | 250,606.                     | 250,606.                          |                               | 0.                            |   |
| TO FORM 990-PF, PG 1, LN 16C                        | 250,606.                     | 250,606.                          |                               | 0.                            |   |

| FORM 990-PF                            | TAXES                        |                                   |                               | STATEMENT                     | 6 |
|--|------------------------------|-----------------------------------|-------------------------------|-------------------------------|---|
| DESCRIPTION                            | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |   |
| FOREIGN TAXES WITHHELD ON<br>DIVIDENDS | 20,819.                      | 20,819.                           |                               | 0.                            |   |
| INCOME TAX PAYMENT                     | 72,301.                      | 0.                                |                               | 0.                            |   |
| TO FORM 990-PF, PG 1, LN 18            | 93,120.                      | 20,819.                           |                               | 0.                            |   |

| FORM 990-PF                 | OTHER EXPENSES               |                                   |                               | STATEMENT                     | 7 |
|-----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|---|
| DESCRIPTION                 | (A)<br>EXPENSES<br>PER BOOKS | (B)<br>NET INVEST-<br>MENT INCOME | (C)<br>ADJUSTED<br>NET INCOME | (D)<br>CHARITABLE<br>PURPOSES |   |
| SAFE DEPOSIT BOX            | 300.                         | 300.                              |                               | 0.                            |   |
| POSTAGE                     | 31.                          | 8.                                |                               | 0.                            |   |
| BANK FEES                   | 75.                          | 75.                               |                               | 0.                            |   |
| TRAVEL                      | 440.                         | 0.                                |                               | 0.                            |   |
| GOVERNMENTAL FEES           | 61.                          | 0.                                |                               | 0.                            |   |
| TO FORM 990-PF, PG 1, LN 23 | 907.                         | 383.                              |                               | 0.                            |   |
|                             |                              |                                   |                               |                               |   |
| FOOTNOTES                   |                              |                                   |                               | STATEMENT                     | 8 |

## SCHEDULE FOR FORM 990-PF, PART I, LINES 16A, B &amp; C:

PURSUANT TO THE INSTRUCTIONS FOR FORM 990-PF, BELOW IS  
A SCHEDULE FOR THE ABOVE REFERENCED LINES TO DISCLOSE  
THE TYPE OF SERVICE AND THE AMOUNT OF EXPENSE:

LINE 16A: LEGAL FEES, SERVICES BY BELL & ANDERSON, LLC  
FOR GENERAL GOVERNANCE AND FOUNDATION MATTERS  
TOTAL FOR SERVICES

1,785.

LINE 16B: ACCOUNTING FEES, SERVICES BY AHEARN, JASCO + CO,  
WERE FOR GENERAL ACCOUNTING AND TAX PREPARATION MATTERS  
TOTAL FOR SERVICES

15,520.

LINE 16C: INVESTMENT ADVISORY FEES, SERVICES BY MORGAN  
STANLEY SMITH BARNEY, FOR MANAGING THE PORTFOLIO OF  
PUBLICLY TRADED SECURITIES OWNED BY THE FOUNDATION  
TOTAL FOR SERVICES

250,605.

SCHEDULE FOR FORM 990-PF, PART I, LINE 18:

PURSUANT TO THE INSTRUCTIONS FOR FORM 990-PF, BELOW IS  
A SCHEDULE FOR THE ABOVE REFERENCED LINES TO DISCLOSE

THE TYPE AND THE AMOUNT OF TAX REPORTED:

|  |         |
|--|---------|
| LINE 18: FOREIGN TAXES WITHHELD ON DIVIDEND PAYMENTS | 20,819. |
|--|---------|

|                                       |         |
|---------------------------------------|---------|
| LINE 18: U.S. FEDERAL EXCISE TAX PAID | 72,301. |
|---------------------------------------|---------|

| FORM 990-PF                                      | U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS |                |            | STATEMENT            | 9 |
|--|--|----------------|------------|----------------------|---|
| DESCRIPTION                                      | U.S.<br>GOV'T                              | OTHER<br>GOV'T | BOOK VALUE | FAIR MARKET<br>VALUE |   |
| MORGAN STANLEY GOVERNMENT BONDS<br>25691         | X  |                | 3,522,153. | 3,590,426.           |   |
| MORGAN STANLEY GOVERNMENT BONDS<br>25700         | X  |                | 1,270,079. | 1,309,598.           |   |
| TOTAL U.S. GOVERNMENT OBLIGATIONS                |  |                | 4,792,232. | 4,900,024.           |   |
| TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS |  |                |            |                      |   |
| TOTAL TO FORM 990-PF, PART II, LINE 10A          |  |                | 4,792,232. | 4,900,024.           |   |

| FORM 990-PF                             | CORPORATE STOCK |                      | STATEMENT | 10 |
|---|-----------------|----------------------|-----------|----|
| DESCRIPTION                             | BOOK VALUE      | FAIR MARKET<br>VALUE |           |    |
| DUPONT - 1425 SHRS                      | 10,303.         | 65,237.              |           |    |
| EXXON MOBIL - 23542 SHRS                | 73,385.         | 1,995,420.           |           |    |
| KIMBERLY CLARK - 475 SHRS               | 771.            | 34,941.              |           |    |
| SCHLUMBERGER - 24000 SHRS               | 183,835.        | 1,639,440.           |           |    |
| MORGAN STANLEY 25694 SEE APPENDIX A     | 3,102,733.      | 3,066,621.           |           |    |
| MORGAN STANLEY 25692 SEE APPENDIX A     | 2,400,961.      | 2,665,412.           |           |    |
| MORGAN STANLEY 25693 SEE APPENDIX A     | 2,851,338.      | 2,955,274.           |           |    |
| MORGAN STANLEY 25696 SEE APPENDIX A     | 1,954,196.      | 2,527,658.           |           |    |
| MORGAN STANLEY 25698 SEE APPENDIX A     | 1,856,132.      | 2,399,672.           |           |    |
| MORGAN STANLEY 25697 SEE APPENDIX A     | 3,774,571.      | 3,981,398.           |           |    |
| MORGAN STANLEY 25699 SEE APPENDIX A     | 3,717,067.      | 4,049,889.           |           |    |
| MORGAN STANLEY 25695 SEE APPENDIX A     | 2,354,843.      | 1,692,729.           |           |    |
| KKR FINANCIAL HOLDINGS, LLC             | 12,207.         | 11,751.              |           |    |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 22,292,342.     | 27,085,442.          |           |    |

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|             |                 |              |
|-------------|-----------------|--------------|
| FORM 990-PF | CORPORATE BONDS | STATEMENT 11 |
|-------------|-----------------|--------------|

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| DESCRIPTION   | BOOK VALUE | FAIR MARKET VALUE |
|---|------------|-------------------|
| MORGAN STANLEY CORPORATE BONDS 25691 SEE APPENDIX C | 918,492.   | 969,482.          |
| TOTAL TO FORM 990-PF, PART II, LINE 10C             | 918,492.   | 969,482.          |

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|             |                   |              |
|-------------|-------------------|--------------|
| FORM 990-PF | OTHER INVESTMENTS | STATEMENT 12 |
|-------------|-------------------|--------------|

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| DESCRIPTION   | VALUATION METHOD | BOOK VALUE | FAIR MARKET VALUE |
|---|------------------|------------|-------------------|
| 300 OZ GOLD   | COST             | 111,960.   | 459,300.          |
| 500.3511 OZ PLATINUM  | COST             | 358,251.   | 694,487.          |
| MORGAN STANLEY MUTUAL FUNDS 25692 SEE APPENDIX B              | COST             | 87,313.    | 139,223.          |
| MORGAN STANLEY MUTUAL FUNDS 25691 SEE APPENDIX B              | COST             | 553,523.   | 604,227.          |
| MORGAN STANLEY MUTUAL FUNDS 25700 SEE APPENDIX B              | COST             | 2,319,234. | 2,467,513.        |
| MORGAN STANLEY ASSET BACKED SECURITIES 25700 - SEE APPENDIX B | COST             | 1,683,076. | 1,593,617.        |
| TOTAL TO FORM 990-PF, PART II, LINE 13                        |                  | 5,113,357. | 5,958,367.        |

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|             |  |              |
|-------------|--|--------------|
| FORM 990-PF | DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT | STATEMENT 13 |
|-------------|--|--------------|

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| DESCRIPTION                        | COST OR OTHER BASIS | ACCUMULATED DEPRECIATION | BOOK VALUE |
|------------------------------------|---------------------|--------------------------|------------|
| COMPUTER SOFTWARE                  | 13,315.             | 13,315.                  | 0.         |
| TOTAL TO FM 990-PF, PART II, LN 14 | 13,315.             | 13,315.                  | 0.         |

| FORM 990-PF                      | OTHER ASSETS                  |                           | STATEMENT 14         |
|----------------------------------|-------------------------------|---------------------------|----------------------|
| DESCRIPTION                      | BEGINNING OF<br>YR BOOK VALUE | END OF YEAR<br>BOOK VALUE | FAIR MARKET<br>VALUE |
| ACCRUED INTEREST RECEIVABLE      | 73,953.                       | 60,200.                   | 60,200.              |
| TO FORM 990-PF, PART II, LINE 15 | 73,953.                       | 60,200.                   | 60,200.              |

| FORM 990-PF | PART VIII - LIST OF OFFICERS, DIRECTORS<br>TRUSTEES AND FOUNDATION MANAGERS | STATEMENT 15 |
|-------------|---|--------------|
|-------------|---|--------------|

| NAME AND ADDRESS  | TITLE AND<br>AVRG HRS/WK         | COMPEN-<br>SATION | EMPLOYEE<br>BEN PLAN CONTRIB | EXPENSE<br>ACCOUNT |
|---|----------------------------------|-------------------|------------------------------|--------------------|
| BARBARA S. WELLS<br>600 SAGAMORE ROAD<br>FORT LAUDERDALE, FL 33301                    | PRESIDENT, DIRECTOR<br>2.00      | 0.                | 0.                           | 0.                 |
| BARBARA W. KENNEY (RESIGNED<br>3-13-11)<br>16245 SE 31ST STREET<br>BELLEVUE, WA 98008 | VICE-PRESIDENT, DIRECTOR<br>1.00 | 0.                | 0.                           | 0.                 |
| JEFFREY J. CAIN, PHD<br>P.O BOX 206<br>POULSBORO, WA 98370                            | SECRETARY, DIRECTOR<br>1.00      | 0.                | 0.                           | 0.                 |
| ELLEN MCPHERSON<br>2225 HALL PLACE NW<br>WASHINGTON, DC 20007                         | TREASURER, DIRECTOR<br>1.00      | 0.                | 0.                           | 0.                 |
| JAMES ULMER<br>1314 EAST LAS OLAS BLVD<br>FORT LAUDERDALE, FL 33301                   | DIRECTOR<br>1.00                 | 0.                | 0.                           | 0.                 |
| TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII  |                                  | 0.                | 0.                           | 0.                 |

**Lillian S. Wells Foundation, Inc.**

**Form 990-PF  
For the year ended December 31, 2011**

**Appendix A  
Stocks and Options**

MORGAN STANLEY SMITH BARNEY #25694  
STOCK AND OPTIONS  
12/31/2011

| Description                                 | Symbol | Quantity | Cost or<br>Other Basis | Current<br>Market<br>Value |
|---|--------|----------|------------------------|----------------------------|
| CHECK POINT SOFTWARE TECH                   | CHKP   | 594      | 32,661                 | 31,209                     |
| YANDEX NV-A                                 | YNDX   | 1,230    | 36,363                 | 24,231                     |
| ADIDAS AG SPON ADR                          | ADDYY  | 1,576    | 52,026                 | 51,393                     |
| ARM HOLDINGS PLC ADR                        | ARMH   | 1,144    | 32,123                 | 31,654                     |
| ASSA ABLOY AB-SEK                           | ASAZY  | 6,005    | 63,560                 | 74,822                     |
| BG GROUP PLC SPON ADR                       | BRGY   | 689      | 68,624                 | 73,723                     |
| CNOOC LTD SPONS ADR                         | CEO    | 395      | 66,961                 | 68,999                     |
| CANADIAN NATL RAILWAY CO                    | CNI    | 979      | 67,854                 | 76,910                     |
| CANADIAN NATURAL RES LTD                    | CNQ    | 1,106    | 37,358                 | 41,331                     |
| CANON INC ADR                               | CAJ    | 1,808    | 78,965                 | 79,624                     |
| CARNIVAL CORP                               | CCL    | 2,554    | 81,711                 | 83,363                     |
| CREDIT SUISSE GROUP ADR                     | CS     | 2,565    | 61,855                 | 60,226                     |
| DASSAULT SYSTEMS SA ADR                     | DASTY  | 367      | 31,824                 | 35,080                     |
| EMBRAER S A-BRL                             | ERJ    | 2,378    | 61,832                 | 59,973                     |
| FANUC CORP                                  | FANUY  | 2,339    | 57,398                 | 59,177                     |
| FLSMIDTH & CO A/S UNSPON                    | FLIDY  | 5,804    | 31,220                 | 33,605                     |
| FRESENIUS MEDICAL CARE AG & CO. KGAA SPONS  | FMS    | 1,113    | 77,395                 | 75,662                     |
| HANG LUNG PROPERTIES LTD                    | HLPY   | 2,062    | 33,379                 | 29,280                     |
| HENNES & MAURITZ AB ADR                     | HNNMY  | 12,996   | 74,840                 | 82,655                     |
| HONG KONG EXCHANGES AND CLEARING LTD        | HKXCY  | 2,695    | 46,889                 | 42,851                     |
| INDUSTRIAL & COML BK CHINA-CNY SPONS ADR    | IDCBY  | 4,421    | 51,515                 | 52,698                     |
| ING GROEP NV SPONS ADR                      | ING    | 7,258    | 94,699                 | 52,040                     |
| ITAU UNIBANCO BANCO HLDG S A ADR            | ITUB   | 4,063    | 66,316                 | 75,409                     |
| KDDI CORP-JPY                               | KDDIY  | 2,320    | 46,454                 | 37,352                     |
| KINGFISHER PLC SPONSORED ADR NEW            | KGFHY  | 9,512    | 75,561                 | 73,147                     |
| KOMATSU LTD ADR NEW                         | KMTUY  | 2,735    | 63,447                 | 64,601                     |
| LI & FUNG LTD-HKD                           | LFUGY  | 13,676   | 46,675                 | 50,191                     |
| LVMH MOET HENNESSY LOUIS VUITTON, PARIS-EUR | LVMUY  | 3,410    | 104,002                | 95,821                     |
| LAS VEGAS SANDS CORP                        | LVS    | 379      | 15,954                 | 16,195                     |
| MERCADOLIBRE INC                            | MELI   | 488      | 30,296                 | 38,816                     |
| MITSUBISHI UFJ FINANCIAL GROUP INC ADR      | MTU    | 11,977   | 55,137                 | 50,184                     |
| NESTLE S A SPONSORED ADR                    | NSRGY  | 1,275    | 70,686                 | 73,580                     |
| NOVARTIS AG ADR                             | NVS    | 1,537    | 77,586                 | 87,870                     |
| NOVO-NORDISK A S ADR                        | NVO    | 748      | 74,527                 | 86,214                     |
| POTASH CORP SASK INC-                       | POT    | 1,455    | 75,677                 | 60,062                     |
| PUBLICIS GROUPE ADR                         | PUBGY  | 2,176    | 47,011                 | 49,765                     |
| RECKITT BENCKISER GP ADR                    | RBGPY  | 9,201    | 95,414                 | 90,538                     |
| SABMILLER PLC SPON ADR                      | SBMRY  | 908      | 31,562                 | 31,825                     |
| SAP AG SPONS ADR-USD                        | SAP    | 1,659    | 83,197                 | 87,844                     |
| SBERBANK SPONSORED ADR                      | SBRCY  | 4,058    | 45,422                 | 40,337                     |

| Description                              | Symbol | Quantity | Cost or<br>Other Basis | Current<br>Market<br>Value |
|--|--------|----------|------------------------|----------------------------|
| SCHLUMBERGER LTD                         | SLB    | 1,249    | 87,107                 | 85,319                     |
| SIEMENS A G SPONS ADR                    | SI     | 743      | 69,706                 | 71,038                     |
| SOUTHERN COPPER CORP DEL                 | SCCO   | 511      | 16,093                 | 15,422                     |
| SWATCH GROUP AG UNSPON ADR               | SWGAY  | 2,002    | 37,862                 | 37,437                     |
| TECK RESOURCES LTD CL B SUB VTG          | TCK    | 991      | 37,238                 | 34,873                     |
| TELEFONICA S.A. SPON ADR                 | TEF    | 2,436    | 46,235                 | 41,875                     |
| TENCENT HLDGS LTD-HKD                    | TCEHY  | 2,754    | 60,239                 | 55,466                     |
| TESCO PLC SPONSORED ADR                  | TSCDY  | 4,160    | 72,820                 | 78,374                     |
| TEVA PHARMACEUTICAL INDS                 | TEVA   | 2,076    | 78,485                 | 83,787                     |
| TOYOTA MOTOR CORP ADR NEW                | TM     | 1,162    | 92,106                 | 76,843                     |
| TURKIYE GARANTI BANKASIA S SPONSORED ADR | TKGBY  | 13,376   | 51,989                 | 41,599                     |
| VODAFONE GROUP PLC SPONS                 | VOD    | 588      | 15,377                 | 16,482                     |
| VOLKSWAGEN AG                            | VLKPY  | 1,465    | 43,847                 | 44,026                     |
| WAL-MART DE MEXICO SA                    | WMMVY  | 1,965    | 47,651                 | 53,821                     |
| <b>TOTAL STOCK AND OPTIONS # 25694</b>   |        |          | <b>3,102,733</b>       | <b>3,066,621</b>           |

MORGAN STANLEY SMITH BARNEY #25692  
STOCK AND OPTIONS  
12/31/2011

| Description                        | Symbol | Quantity | Cost or<br>Other Basis | Current<br>Market Value |
|------------------------------------|--------|----------|------------------------|-------------------------|
| ENDURANCE SPECIALTY HOLDINGS L-USD | ENH    | 1,497    | 40,850                 | 57,260                  |
| INVESCO LTD                        | IVZ    | 2,075    | 52,989                 | 41,687                  |
| SEADRILL LTD                       | SDRL   | 1,385    | 46,802                 | 45,954                  |
| WEATHERFORD INTERNATIONAL LTD.-CHF | WFT    | 2,555    | 45,920                 | 37,405                  |
| ACTIVISION BLIZZARD INC            | ATVI   | 3,452    | 37,735                 | 42,529                  |
| AECOM TECHNOLOGY CORP              | ACM    | 1,425    | 37,328                 | 29,312                  |
| AMERICAN CAP AGY CORP              | AGNC   | 2,255    | 66,586                 | 63,320                  |
| ANALOG DEVICES INC                 | ADI    | 1,825    | 49,086                 | 65,299                  |
| ANNALY CAPITAL MANAGEMENT INC      | NLY    | 5,208    | 77,686                 | 83,120                  |
| AVERY DENNISON CORP                | AVY    | 1,200    | 49,719                 | 34,416                  |
| THE BABCOCK & WILCOX COMPANY       | BWC    | 2,333    | 52,313                 | 56,319                  |
| BOSTON SCIENTIFIC CORP             | BSX    | 6,505    | 48,773                 | 34,737                  |
| BRANDYWINE REALTY TR SBI-NEW       | BDN    | 1,558    | 10,594                 | 14,801                  |
| BROADRIDGE FINANCIAL SOLUTIONS     | BR     | 2,671    | 48,732                 | 60,231                  |
| CABLEVISION SYSTEMS CORP           | CVC    | 3,492    | 46,282                 | 49,656                  |
| CHUBB CORP                         | CB     | 1,060    | 47,000                 | 73,373                  |
| CLOROX COMPANY DE                  | CLX    | 647      | 39,177                 | 43,064                  |
| CONSOLIDATED EDISON INC            | ED     | 656      | 23,349                 | 40,692                  |
| CONSTELLATION ENERGY GROUP         | CEG    | 1,520    | 57,616                 | 60,298                  |
| EL PASO CORP                       | EP     | 1,645    | 29,048                 | 43,708                  |
| ENTERGY CORPORATION-NEW            | ETR    | 639      | 46,054                 | 46,679                  |
| FIRST AMERICAN FINANCIAL CORP      | FAF    | 3,031    | 49,138                 | 38,403                  |
| GENUINE PARTS CO                   | GPC    | 960      | 35,731                 | 58,752                  |
| GRACE W R & CO DEL NEW             | GRA    | 725      | 29,647                 | 33,292                  |
| GREAT PLAINS ENERGY INC            | GXP    | 2,462    | 39,762                 | 53,622                  |
| HCP INC                            | HCP    | 1,578    | 34,785                 | 65,377                  |
| HAEMONETICS CORP MASS              | HAE    | 740      | 47,610                 | 45,303                  |
| HASBRO INC                         | HAS    | 1,366    | 37,795                 | 43,562                  |
| HEALTH CARE REIT INC               | HCN    | 948      | 36,181                 | 51,694                  |
| H J HEINZ CO                       | HNZ    | 1,270    | 54,089                 | 68,631                  |
| HUDSON CITY BANCORP INC            | HCBK   | 5,240    | 62,989                 | 32,750                  |
| M & T BK CORP                      | MTB    | 820      | 61,268                 | 62,599                  |
| MATTEL INC DE                      | MAT    | 2,552    | 46,630                 | 70,844                  |
| MCKESSON CORPORATION               | MCK    | 920      | 61,486                 | 71,677                  |
| NEW YORK COMMUNITY BANCORP         | NYB    | 4,785    | 60,114                 | 59,190                  |
| NEXEN INC                          | NXY    | 1,850    | 36,404                 | 29,434                  |
| NISOURCE INC                       | NI     | 3,303    | 35,787                 | 78,644                  |

| Description                     | Symbol | Quantity | Cost or<br>Other Basis | Current<br>Market Value |
|---------------------------------|--------|----------|------------------------|-------------------------|
| OLD REPUBLIC INTERNATIONAL      | ORI    | 2,336    | 24,175                 | 21,655                  |
| OMNICOM GROUP INC               | OMC    | 1,520    | 62,550                 | 67,762                  |
| PROGRESS ENERGY INC             | PGN    | 1,691    | 59,384                 | 94,730                  |
| RANGE RESOURCES CORP            | RRC    | 1,029    | 47,249                 | 63,736                  |
| ROCKWELL COLLINS INC            | COL    | 737      | 35,138                 | 40,808                  |
| ST JUDE MEDICAL INC             | STJ    | 1,849    | 71,612                 | 63,421                  |
| SANOFI CONTINGENT VALUE RIGHTS  | GCVRZ  | 6,727    | 16,362                 | 8,072                   |
| SCANA CORP NEW                  | SCG    | 1,196    | 35,236                 | 53,892                  |
| SEMPRA ENERGY                   | SRE    | 1,215    | 57,722                 | 66,825                  |
| SONOCO PRODUCTS CO              | SON    | 970      | 29,024                 | 31,971                  |
| SUNTRUST BANKS INC              | STI    | 2,510    | 46,966                 | 44,427                  |
| TELEPHONE & DATA SYS INC        | TDSS   | 1,656    | 47,126                 | 39,429                  |
| ULTRA PETROLEUM CORP-CAD        | UPL    | 948      | 42,954                 | 28,089                  |
| XCEL ENERGY INC                 | XEL    | 2,084    | 41,589                 | 57,602                  |
| XEROX CORP                      | XRX    | 6,591    | 61,129                 | 52,464                  |
| ZIMMER HOLDINGS INC             | ZMH    | 803      | 39,693                 | 42,896                  |
| TOTAL STOCK AND OPTIONS # 25692 |        |          | 2,400,961              | 2,665,412               |

MORGAN STANLEY SMITH BARNEY #25693  
STOCK AND OPTIONS  
12/31/2011

| Description                   | CUSIP # | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|-------------------------------|---------|----------|------------------------|-------------------------|
| ARCOS DORADOS HOLDINGS INC    | ARCO    | 1,346    | 30,274                 | 27,633                  |
| NABORS INDUSTRIES LTD-USD     | NBR     | 735      | 14,768                 | 12,745                  |
| CHECK POINT SOFTWARE TECH     | CHKP    | 576      | 30,887                 | 30,263                  |
| AVAGO TECHNOLOGIES LTD ORD    | AVGO    | 1,896    | 54,133                 | 54,719                  |
| AGCO CORP                     | AGCO    | 181      | 9,881                  | 7,778                   |
| ACME PACKET INC               | APKT    | 1,047    | 61,444                 | 32,363                  |
| AGILENT TECHNOLOGIES INC      | A       | 1,314    | 39,003                 | 45,898                  |
| AIRGAS INC                    | ARG     | 886      | 74,952                 | 87,721                  |
| ALERE INC                     | ALR     | 1,291    | 46,536                 | 29,809                  |
| ALEXION PHARMACEUTICALS INC   | ALXN    | 1,075    | 29,026                 | 76,863                  |
| AMERICAN TOWER CORP-CLASS A   | AMT     | 982      | 45,221                 | 58,930                  |
| AMERIPRISE FINANCIAL INC      | AMP     | 685      | 37,827                 | 34,003                  |
| ARM HOLDINGS PLC ADR          | ARMH    | 1,276    | 33,311                 | 35,307                  |
| ATMEL CORP                    | ATML    | 1,240    | 17,718                 | 10,044                  |
| AUTODESK INC                  | ADSK    | 725      | 29,848                 | 21,989                  |
| BIOMARIN PHARMACEUTICAL INC   | BMRN    | 913      | 26,907                 | 27,994                  |
| BORGWARNER INC                | BWA     | 846      | 41,736                 | 53,924                  |
| CBS CORP NEW CLASS B          | CBS     | 1,257    | 46,095                 | 46,981                  |
| CBRE GROUP INC                | CBG     | 2,072    | 31,519                 | 31,536                  |
| CME GROUP INC                 | CME     | 131      | 31,598                 | 31,921                  |
| CABOT OIL & GAS CORP          | COG     | 394      | 28,944                 | 29,905                  |
| CAMERON INTERNATIONAL CORP    | CAM     | 1,214    | 63,775                 | 59,717                  |
| CARDINAL HEALTH INC           | CAH     | 769      | 32,902                 | 31,229                  |
| CERNER CORP                   | CERN    | 877      | 40,955                 | 53,716                  |
| CITRIX SYSTEMS INC            | CTXS    | 802      | 53,264                 | 48,697                  |
| COGNIZANT TECH SOLUTIONS CL A | CTSH    | 556      | 27,342                 | 35,756                  |
| CONCHO RESOURCES INC          | CXO     | 549      | 50,373                 | 51,469                  |
| COVANCE INC                   | CVD     | 689      | 28,380                 | 26,906                  |
| CUMMINS INC                   | CMI     | 405      | 37,921                 | 35,648                  |
| DECKERS OUTDOOR CORP          | DECK    | 388      | 49,999                 | 43,145                  |
| DISCOVERY COMMUNICATION INC   | DISCK   | 1,976    | 45,130                 | 43,578                  |
| DISCOVER FINANCIAL SVCS       | DFS     | 1,855    | 27,079                 | 44,520                  |
| DOLLAR GENERAL CORP           | DG      | 984      | 37,113                 | 40,482                  |
| ENSCO PLC ADR                 | ESV     | 627      | 30,916                 | 29,419                  |
| EQUINIX INC                   | EQIX    | 581      | 50,355                 | 58,913                  |
| F5 NETWORKS INC               | FFIV    | 550      | 59,977                 | 58,366                  |
| FORTINET INC                  | FTNT    | 1,041    | 25,328                 | 22,704                  |

| Description                     | CUSIP # | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|---------------------------------|---------|----------|------------------------|-------------------------|
| GARDNER DENVER INC              | GDI     | 689      | 57,655                 | 53,094                  |
| GARTNER INC NEW                 | IT      | 1,582    | 61,915                 | 55,006                  |
| W W GRAINGER INC                | GWV     | 230      | 33,587                 | 39,295                  |
| HERTZ GLOBAL HOLDINGS INC       | HTZ     | 3,184    | 48,589                 | 37,316                  |
| HUMANA INC                      | HUM     | 685      | 46,338                 | 60,013                  |
| ILLUMINA INC                    | ILMN    | 321      | 22,750                 | 9,784                   |
| INTUIT INC                      | INTU    | 787      | 38,730                 | 41,388                  |
| KANSAS CITY SOUTHERN INDS NEW   | KSU     | 1,434    | 69,698                 | 97,526                  |
| LABORATORY CORP AMER HLDGS NEW  | LH      | 403      | 31,902                 | 34,646                  |
| LIMITED BRANDS INC              | LTD     | 736      | 30,807                 | 29,698                  |
| LULULEMON ATHLETICA INC         | LULU    | 668      | 34,787                 | 31,169                  |
| MERCADOLIBRE INC                | MELI    | 542      | 42,241                 | 43,111                  |
| MICROCHIP TECHNOLOGY INC        | MCHP    | 1,101    | 34,931                 | 40,330                  |
| OIL STATES INTERNATIONAL INC    | OIS     | 685      | 53,929                 | 52,313                  |
| PIONEER NATURAL RESOURCES CO    | PXD     | 748      | 51,636                 | 66,931                  |
| PRICELINE.COM INC (NEW)         | PCLN    | 96       | 22,838                 | 44,900                  |
| RALPH LAUREN CORP CL A          | RL      | 309      | 44,355                 | 42,667                  |
| RED HAT INC                     | RHT     | 918      | 33,887                 | 37,904                  |
| ROCKWELL AUTOMATION INC         | ROK     | 690      | 43,064                 | 50,625                  |
| ROSS STORES INC DE              | ROST    | 686      | 23,563                 | 29,224                  |
| SALESFORCE.COM INC              | CRM     | 256      | 34,357                 | 25,974                  |
| SANDRIDGE ENERGY INC            | SD      | 4,010    | 46,842                 | 32,722                  |
| SHIRE PLC ADR                   | SHPGY   | 380      | 25,729                 | 28,158                  |
| TD AMERITRADE HOLDING CORP      | AMTD    | 2,100    | 45,356                 | 32,865                  |
| TEMPUR-PEDIC INTERNATIONAL INC  | TPX     | 665      | 39,221                 | 34,932                  |
| TERADATA CORP                   | TDC     | 278      | 15,333                 | 13,486                  |
| TIBCO SOFTWARE INC              | TIBX    | 1,709    | 37,076                 | 40,862                  |
| TRANSDIGM GROUP INC             | TDG     | 830      | 61,757                 | 79,414                  |
| TRIMBLE NAVIGATION LTD          | TRMB    | 701      | 30,818                 | 30,423                  |
| TRIUMPH GROUP INC NEW           | TGI     | 561      | 30,921                 | 32,790                  |
| UNDER ARMOUR INC CLASS A        | UA      | 364      | 22,588                 | 26,132                  |
| VERISK ANALYTICS INC CL A       | VRSK    | 762      | 30,093                 | 30,579                  |
| WEIGHT WATCHERS INTL INC NEW    | WTW     | 604      | 36,676                 | 33,226                  |
| WESCO INTERNATIONAL INC         | WCC     | 943      | 57,327                 | 49,988                  |
| WHOLE FOODS MKT INC             | WFM     | 734      | 45,072                 | 51,072                  |
| WILLIAMS SONOMA INC             | WSM     | 1,120    | 42,537                 | 43,120                  |
| TOTAL STOCK AND OPTIONS # 25693 |         |          | 2,851,338              | 2,955,274               |

MORGAN STANLEY SMITH BARNEY #25696  
STOCK AND OPTIONS  
12/31/2011

| Description                        | Symbol | Quantity | Cost or Other Basis | Current Market Value |
|------------------------------------|--------|----------|---------------------|----------------------|
| PLATINUM UNDERWRITERS HOLDINGS LTD | PTP    | 1,276    | 46,152              | 43,524               |
| VALIDUS HOLDINGS LTD               | VR     | 724      | 17,660              | 22,806               |
| ACTUANT CORP CLASS A               | ATU    | 1,318    | 17,166              | 29,905               |
| ALBEMARLE CORP                     | ALB    | 1,298    | 45,286              | 66,860               |
| ALEXANDER & BALDWIN INC            | ALEX   | 1,035    | 25,889              | 42,249               |
| ALTRA HOLDINGS INC                 | AIMC   | 1,309    | 18,720              | 24,648               |
| AUTOLIV INC                        | ALV    | 294      | 8,461               | 15,726               |
| BANK OF HAWAII CORP                | BOH    | 861      | 32,088              | 38,306               |
| W R BERKLEY CORP                   | WRB    | 585      | 12,893              | 20,118               |
| BIG LOTS INC                       | BIG    | 829      | 24,631              | 31,303               |
| BLACK BOX CORP DE                  | BBOX   | 586      | 16,635              | 16,431               |
| BLACK HILLS CORP                   | BKH    | 466      | 9,923               | 15,648               |
| BOSTON PRIVATE FINL HOLDINGS       | BPFH   | 2,370    | 12,225              | 18,818               |
| BRANDYWINE REALTY TR SBI-NEW       | BDN    | 1,695    | 11,700              | 16,103               |
| BRINKER INTL INC                   | EAT    | 870      | 12,779              | 23,281               |
| BRINK'S COMPANY                    | BCO    | 686      | 19,455              | 18,440               |
| BROCADE COMMUNICATIONS SYSTEMS     | BRCD   | 4,421    | 26,396              | 22,945               |
| CEC ENTERTAINMENT INC              | CEC    | 706      | 21,715              | 24,322               |
| C V B FINANCIAL CORP               | CVBF   | 998      | 6,620               | 10,010               |
| CATO CORP NEW CL A                 | CATO   | 1,067    | 15,359              | 25,821               |
| CHEESECAKE FACTORY INC             | CAKE   | 806      | 23,617              | 23,656               |
| CHICAGO BRIDGE&IRON NV SHS         | CBI    | 1,026    | 19,122              | 38,783               |
| CHILDRENS PLACE RETAIL STORES      | PLCE   | 459      | 14,972              | 24,382               |
| CIRRUS LOGIC INC                   | CRUS   | 1,995    | 12,192              | 31,621               |
| COLLECTIVE BRANDS INC              | PSS    | 1,025    | 16,074              | 14,729               |
| COMERICA INC                       | CMA    | 817      | 23,189              | 21,079               |
| COMMUNITY BK SYSTEMS INC           | CBU    | 1,356    | 26,156              | 37,697               |
| COMPUWARE CORP                     | CPWR   | 3,289    | 27,912              | 27,364               |
| COOPER COS INC NEW                 | COO    | 407      | 13,631              | 28,702               |
| CYTEC INDUSTRIES INC               | CYT    | 947      | 23,647              | 42,284               |
| EAST WEST BANCORP INC              | EWBC   | 2,897    | 37,238              | 57,216               |
| EDUCATION REALTY TRUST INC         | EDR    | 1,370    | 6,128               | 14,015               |
| EL PASO ELEC CO NEW                | EE     | 1,142    | 25,285              | 39,559               |
| ELECTRONICS FOR IMAGING            | EFII   | 995      | 10,729              | 14,179               |
| FMC CORP-NEW                       | FMC    | 511      | 29,514              | 43,966               |
| FERRO CORP                         | FOE    | 3,528    | 41,674              | 17,252               |
| FINISH LINE INC CL A               | FINL   | 1,207    | 13,038              | 23,277               |

| Description                    | Symbol | Quantity | Cost or Other Basis | Current Market Value |
|--------------------------------|--------|----------|---------------------|----------------------|
| FIRST FINANCIAL BANCORP-OHIO   | FFBC   | 1,755    | 19,559              | 29,203               |
| FIRST MIDWEST BANCORP INC-DEL  | FMBI   | 1,582    | 15,325              | 16,026               |
| FOREST OIL CORP-NEW            | FST    | 1,715    | 36,054              | 23,238               |
| GARDNER DENVER INC             | GDI    | 548      | 15,539              | 42,229               |
| GENESCO INC                    | GCO    | 426      | 10,133              | 26,301               |
| P H GLATFELTER CO              | GLT    | 802      | 10,721              | 11,324               |
| GOVERNMENT PROPERTIES INCOME   | GOV    | 556      | 10,818              | 12,538               |
| HAEMONETICS CORP MASS          | HAE    | 344      | 22,319              | 21,060               |
| HANCOCK HOLDING CO             | HBHC   | 1,210    | 42,935              | 38,684               |
| HELIX ENERGY SOLUTIONS GROUP   | HLX    | 1,853    | 31,162              | 29,277               |
| HIGHWOODS PROPERTIES INC       | HIW    | 803      | 16,964              | 23,825               |
| INDEPENDENT BANK CORP-MASS     | INDB   | 1,171    | 24,602              | 31,957               |
| INFINITY PPTY & CAS CORP       | IPCC   | 855      | 33,629              | 48,513               |
| JACK IN THE BOX INC            | JACK   | 1,042    | 26,668              | 21,778               |
| KAISER ALUMINUM CORP           | KALU   | 430      | 14,158              | 19,728               |
| KIRBY CORP                     | KEX    | 664      | 21,754              | 43,718               |
| KNOLL INC-NEW                  | KNL    | 999      | 13,828              | 14,835               |
| LONE PINE RESOURCES INC        | LPR    | 1,754    | 19,459              | 12,296               |
| MENS WEARHOUSE INC             | MW     | 880      | 15,401              | 28,521               |
| MEREDITH CORP                  | MDP    | 782      | 22,259              | 25,532               |
| MERITAGE HOMES CORP            | MTH    | 490      | 10,603              | 11,363               |
| MOVADO GROUP INC               | MOV    | 372      | 3,554               | 6,759                |
| N B T BANCORP INC              | NBTB   | 1,854    | 43,740              | 41,029               |
| NETSCOUT SYSTEMS INC           | NTCT   | 537      | 7,174               | 9,451                |
| NORTHWESTERN CORP              | NWE    | 715      | 22,355              | 25,590               |
| ON SEMICONDUCTOR CORP          | ONNN   | 4,027    | 28,734              | 31,088               |
| OWENS & MINOR INC HLDG CO      | OMI    | 822      | 22,927              | 22,843               |
| PARAMETRIC TECHNOLOGY CORP NEW | PMTTC  | 1,680    | 19,911              | 30,677               |
| PATTERSON UTI ENERGY INC       | PTEN   | 1,390    | 26,912              | 27,772               |
| PETSMART INC                   | PETM   | 706      | 14,888              | 36,211               |
| PREMIERE GLOBAL SERVICES INC   | PGI    | 2,416    | 22,217              | 20,464               |
| QAD INC CL B                   | QADB   | 130      | 873                 | 1,339                |
| QAD INC CL A                   | QADA   | 520      | 3,826               | 5,460                |
| RF MICRO DEVICES INC           | RFMD   | 3,094    | 18,153              | 16,708               |
| REGAL-BELOIT CORP              | RBC    | 715      | 34,742              | 36,444               |
| RENT-A-CENTER INC              | RCII   | 762      | 22,012              | 28,194               |
| RUDDICK CORP                   | RDK    | 704      | 26,654              | 30,019               |
| S & T BANCORP INC              | STBA   | 808      | 14,346              | 15,796               |
| SAIA INC                       | SAIA   | 704      | 9,201               | 8,786                |
| SELECTIVE INSURANCE GROUP INC  | SIGI   | 2,122    | 29,227              | 37,623               |
| SERVICE CORP INTERNATIONAL     | SCI    | 2,954    | 17,264              | 31,460               |
| SOUTHWEST GAS CORP             | SWX    | 932      | 27,836              | 39,601               |
| STAGE STORES INC NEW           | SSI    | 1,426    | 17,100              | 19,807               |
| STANCORP FINANCIAL GROUP       | SFG    | 362      | 11,200              | 13,304               |

| Description                            | Symbol | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|--|--------|----------|------------------------|-------------------------|
| SYNOPSIS INC                           | SNPS   | 1,636    | 33,240                 | 44,499                  |
| TECH DATA CORP                         | TECD   | 633      | 21,772                 | 31,277                  |
| TELEFLEX INC                           | TFX    | 381      | 23,207                 | 23,351                  |
| UNITED RENTALS INC                     | URI    | 1,831    | 42,861                 | 54,106                  |
| UNITED STATIONERS INC                  | USTR   | 704      | 13,743                 | 22,922                  |
| UNIVERSAL HEALTH SERVICES INC          | UHS    | 842      | 23,493                 | 32,720                  |
| UNIVEST CORPORATION OF PA              | UVSP   | 280      | 5,634                  | 4,099                   |
| VALSPAR CORP                           | UVSP   | 903      | 22,237                 | 35,190                  |
| VIAD CORP-NEW                          | VVI    | 395      | 6,418                  | 6,905                   |
| VISHAY INTERTECHNOLOGY INC             | VSH    | 3,592    | 27,734                 | 32,292                  |
| WARNACO GROUP INC                      | WRC    | 334      | 10,724                 | 16,713                  |
| WASHINGTON REAL EST INV TR SBI         | WRE    | 891      | 18,830                 | 24,369                  |
| WESBANCO INC                           | WSBC   | 762      | 12,811                 | 14,836                  |
| WHITING PETROLEUM CORP NEW             | WLL    | 1,370    | 28,981                 | 63,965                  |
| WOLVERINE WORLD-WIDE INC               | WWW    | 702      | 17,902                 | 25,019                  |
| <b>TOTAL STOCK AND OPTIONS # 25696</b> |        |          | <b>1,954,196</b>       | <b>2,527,658</b>        |

MORGAN STANLEY SMITH BARNEY #25698  
STOCK AND OPTIONS  
12/31/2011

| Description                             | Symbol | Quantity | Cost or Other Basis | Current Market Value |
|---|--------|----------|---------------------|----------------------|
| HERBALIFE LTD                           | HLF    | 441      | 4,585               | 22,786               |
| EZCHIP SEMICONDUCTOR LTD                | EZCH   | 356      | 10,497              | 10,085               |
| ACACIA RESH CORP AR ACACIA TECHNOLOGIES | ACTG   | 735      | 28,517              | 26,835               |
| ALLSCRIPTS HEALTHCARE SOLUTIONS INC     | MDRX   | 1,153    | 8,286               | 21,838               |
| ANSYS INC                               | ANSS   | 533      | 21,996              | 30,530               |
| ATLAS AIR WORLDWIDE HLDGS               | AAWW   | 385      | 20,729              | 14,796               |
| ATWOOD OCEANICS INC                     | ATW    | 313      | 12,136              | 12,454               |
| BALLY TECHNOLOGIES INC                  | BYI    | 915      | 17,464              | 36,197               |
| BIOMARIN PHARMACEUTICAL INC             | BMRN   | 740      | 12,627              | 25,441               |
| BJ'S RESTAURANTS INC                    | BJRI   | 1,480    | 16,302              | 67,074               |
| BROADSOFT INC                           | BSFT   | 363      | 14,519              | 10,963               |
| BRUKER CORP                             | BRKR   | 2,320    | 31,056              | 28,814               |
| CASH AMERICA INTERNATIONAL INC          | CSH    | 1,075    | 26,569              | 50,127               |
| CATALYST HEALTH SOLUTIONS INC           | CHSI   | 530      | 23,252              | 27,560               |
| CENTENE CORP DEL                        | CNC    | 1,300    | 26,460              | 51,467               |
| CLOUD PEAK ENERGY INC                   | CLD    | 1,170    | 21,034              | 22,604               |
| COGNEX CORP                             | CGNX   | 687      | 23,709              | 24,588               |
| COHERENT INC                            | COHR   | 980      | 26,693              | 51,225               |
| CONCUR TECHNOLOGIES INC                 | CNQR   | 482      | 11,230              | 14,987               |
| CUBIST PHARMACEUTICALS INC              | CBST   | 653      | 24,228              | 25,872               |
| CYMER INC                               | CYMI   | 307      | 14,590              | 15,276               |
| DTS INC                                 | DTSI   | 1,135    | 26,934              | 30,917               |
| DUFF & PHELPS CORP                      | DUF    | 955      | 14,363              | 13,848               |
| FTI CONSULTING INC                      | FCN    | 1,130    | 39,484              | 47,935               |
| FORTINET INC                            | FTNT   | 1,187    | 11,657              | 14,695               |
| THE FRESH MARKET INC                    | TFM    | 982      | 35,235              | 39,182               |
| GEO GROUP INC                           | GEO    | 1,768    | 41,255              | 29,614               |
| GNC HOLDINGS INC                        | GNC    | 1,705    | 28,009              | 49,360               |
| GENESCO INC                             | GCO    | 1,665    | 32,881              | 102,797              |
| GRAFTECH INTERNATIONAL LTD              | GTI    | 1,855    | 21,473              | 25,321               |
| GULFPORT ENERGY CORP NEW                | GPOR   | 418      | 12,301              | 12,310               |
| HEXCEL CORP NEW                         | HXL    | 1,023    | 23,133              | 24,767               |
| HUNTSMAN CORP                           | HUN    | 4,028    | 18,476              | 40,280               |
| IPG PHOTONICS CORP                      | IPGP   | 242      | 11,693              | 8,197                |
| IMPAX LABORATORIES INC                  | IPXL   | 505      | 13,096              | 10,186               |
| INFORMATICA CORP                        | INFA   | 943      | 21,639              | 34,825               |
| INTREPID POTASH INC                     | IPI    | 785      | 20,422              | 17,765               |

| Description                 | Symbol | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|-----------------------------|--------|----------|------------------------|-------------------------|
| JETBLUE AIRWAYS CORP        | JBLU   | 3,215    | 23,116                 | 16,718                  |
| KRATON PERFORMANCE POLYMERS | KRA    | 695      | 26,905                 | 14,109                  |
| LANDSTAR SYSTEM INC         | LSTR   | 566      | 29,659                 | 27,123                  |
| LUFKIN INDUSTRIES INC       | LUFK   | 1,340    | 23,087                 | 90,195                  |
| MWI VETERINARY SUPPLY INC   | MWIV   | 174      | 12,653                 | 11,561                  |
| MADDEN STEVEN LTD           | SHOO   | 997      | 21,813                 | 34,397                  |
| MEDASSETS INC               | MDAS   | 1,544    | 28,299                 | 14,282                  |
| MEDIDATA SOLUTIONS INC      | MDSO   | 1,389    | 31,842                 | 30,211                  |
| MERITOR INC                 | MTOR   | 2,885    | 38,640                 | 15,348                  |
| MONSTER WORLDWIDE INC       | MWW    | 2,474    | 33,953                 | 19,619                  |
| NORTHWEST PIPE CO           | NWPX   | 705      | 21,040                 | 16,116                  |
| OYO GEOSPACE CORP           | OYOG   | 610      | 27,576                 | 47,171                  |
| OASIS PETROLEUM INC         | OAS    | 884      | 24,179                 | 25,716                  |
| ONYX PHARMACEUTICALS INC    | ONXX   | 649      | 25,070                 | 28,524                  |
| OPNET TECHNOLOGIES INC      | OPNT   | 270      | 9,487                  | 9,901                   |
| PAREXEL INTL CORP           | PRXL   | 897      | 19,983                 | 18,604                  |
| PINNACLE ENTMT INC          | PNK    | 1,107    | 12,175                 | 11,247                  |
| PLANTRONICS INC NEW         | PLT    | 625      | 20,819                 | 22,275                  |
| POLYPORE INTL INC           | PPO    | 456      | 24,567                 | 20,059                  |
| QUAKER CHEMICAL CORP        | KWR    | 328      | 13,512                 | 12,756                  |
| QLIK TECHNOLOGIES INC       | QLIK   | 1,020    | 26,532                 | 24,684                  |
| QUALITY SYSTEMS INC         | QSII   | 630      | 11,590                 | 23,304                  |
| RTI INTL METALS INC         | RTI    | 387      | 12,456                 | 8,982                   |
| REDWOOD TRUST INC           | RWT    | 1,020    | 13,618                 | 10,384                  |
| REGAL-BELOIT CORP           | RBC    | 600      | 30,236                 | 30,582                  |
| RIVERBED TECHNOLOGY INC     | RVBD   | 1,222    | 14,548                 | 28,717                  |
| ROVI CORP                   | ROVI   | 670      | 12,656                 | 16,469                  |
| SALIX PHARMACEUTICALS LTD   | SLXP   | 717      | 26,343                 | 34,308                  |
| SAPIENT CORP                | SAPE   | 2,848    | 34,913                 | 35,885                  |
| SEATTLE GENETICS INC        | SGEN   | 1,305    | 18,842                 | 21,813                  |
| SHUFFLE MASTER INC          | SHFL   | 2,875    | 10,336                 | 33,695                  |
| SIRONA DENTAL SYSTEMS INC   | SIRO   | 903      | 34,811                 | 39,768                  |
| SOTHEBYS DELAWARE           | BID    | 1,155    | 14,744                 | 32,952                  |
| STIFEL FINANCIAL CORP       | SF     | 408      | 11,977                 | 13,076                  |
| SUCCESSFACTORS INC          | SFSF   | 951      | 23,204                 | 37,916                  |
| TENNECO AUTOMOTIVE INC      | TEN    | 675      | 13,692                 | 20,102                  |
| TERADYNE INC                | TER    | 1,645    | 11,544                 | 22,421                  |
| THORATEC CORP               | THOR   | 854      | 15,959                 | 28,660                  |
| TIBCO SOFTWARE INC          | TIBX   | 1,429    | 10,270                 | 34,167                  |
| TITANIUM METALS CORP(NEW)   | TIE    | 2,322    | 32,883                 | 34,784                  |
| TRIUMPH GROUP INC NEW       | TGI    | 910      | 32,554                 | 53,190                  |
| TWO HARBORS INVESTMENT CORP | TWO    | 2,117    | 22,623                 | 19,561                  |
| UMB FINANCIAL CORP          | UMBF   | 310      | 14,333                 | 11,548                  |
| UNITED NATURAL FOODS INC    | UNFI   | 310      | 12,458                 | 12,403                  |

| Description                     | Symbol | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|---------------------------------|--------|----------|------------------------|-------------------------|
| UNITED THERAPEUTICS CORP        | UTHR   | 603      | 24,762                 | 28,492                  |
| UNIVERSAL ELECTRONICS INC       | UEIC   | 1,475    | 33,713                 | 24,883                  |
| VEECO INSTRUMENTS INC DEL       | VECO   | 620      | 20,516                 | 12,896                  |
| VITAMIN SHOPPE INC              | VSI    | 1,290    | 26,715                 | 51,445                  |
| WABCO HOLDINGS INC              | WBC    | 620      | 21,474                 | 26,908                  |
| WASTE CONNECTIONS INC           | WCN    | 1,395    | 28,927                 | 46,230                  |
| TOTAL STOCK AND OPTIONS # 25698 |        |          | 1,856,132              | 2,399,672               |

MORGAN STANLEY SMITH BARNEY #25697  
STOCK AND OPTIONS  
12/31/2011

| Description                    | Symbol | Quantity | Cost or Other<br>Basis | Current Market<br>Value |
|--------------------------------|--------|----------|------------------------|-------------------------|
| MARVELL TECHNOLOGY GROUP       | MRVL   | 4,438    | 79,890                 | 61,466                  |
| AT&T INC                       | T      | 3,042    | 75,995                 | 91,990                  |
| ALLSTATE CORP                  | ALL    | 3,780    | 100,420                | 103,610                 |
| AMERICAN ELECTRIC POWER CO INC | AEP    | 2,635    | 82,375                 | 108,852                 |
| ARCHER-DANIELS-MIDLAND CO      | ADM    | 1,505    | 39,495                 | 43,043                  |
| BANK OF AMERICA CORP           | BAC    | 8,160    | 83,304                 | 45,370                  |
| BEST BUY INC                   | BBY    | 1,850    | 71,136                 | 43,235                  |
| CVS CAREMARK CORP              | CVS    | 2,541    | 80,118                 | 103,622                 |
| CAPITAL ONE FINL CORP          | COF    | 2,045    | 81,980                 | 86,483                  |
| CHEVRON CORP                   | CVX    | 955      | 63,831                 | 101,612                 |
| CISCO SYS INC                  | CSCO   | 5,574    | 114,473                | 100,778                 |
| COMCAST CORP CL A              | CMCSA  | 3,892    | 73,226                 | 92,279                  |
| CONOCOPHILLIPS                 | COP    | 1,250    | 56,955                 | 91,088                  |
| DANAHER CORP DE                | DHR    | 2,388    | 87,872                 | 112,332                 |
| DIAMOND OFFSHORE DRILLING INC  | DO     | 1,221    | 86,433                 | 67,472                  |
| DOVER CORP                     | DOV    | 1,680    | 86,533                 | 97,524                  |
| ENTERGY CORPORATION-NEW        | ETR    | 1,300    | 129,075                | 94,965                  |
| EXXON MOBIL CORP               | XOM    | 1,139    | 89,682                 | 96,542                  |
| FIFTH THRID BANK CORP          | FITB   | 7,482    | 99,456                 | 95,171                  |
| FREEPORT MCMORAN COPPER & GOLD | FCX    | 1,893    | 53,504                 | 69,643                  |
| GENERAL DYNAMICS CORP          | GD     | 1,387    | 82,768                 | 92,111                  |
| GENERAL ELECTRIC CO            | GE     | 4,662    | 66,951                 | 83,496                  |
| GOLDMAN SACHS GROUP INC        | GS     | 632      | 93301.54               | 57,152                  |
| HEWLETT PACKARD CO             | HPQ    | 2,403    | 96,409                 | 61,901                  |
| INTERNATIONAL PAPER CO         | IP     | 2,869    | 84,099                 | 84,922                  |
| JPMORGAN CHASE & CO            | JPM    | 3,587    | 138,304                | 119,268                 |
| JOHNSON & JOHNSON              | JNJ    | 1,405    | 89,708                 | 92,140                  |
| KIMBERLY CLARK CORP            | KMB    | 1,373    | 73,036                 | 100,998                 |
| KOHL'S CORP                    | KSS    | 879      | 46,762                 | 43,379                  |
| ELI LILLY & CO                 | LLY    | 2,220    | 77,415                 | 92,263                  |
| MARATHON OIL CORP              | MRO    | 2,854    | 59,988                 | 83,537                  |
| MARATHON PETROLEUM CORP        | MPC    | 1,317    | 36,756                 | 43,843                  |
| MCKESSON CORPORATION           | MCK    | 993      | 48,315                 | 77,365                  |
| MERCK & CO INC NEW             | MRK    | 2,059    | 73,329                 | 77,624                  |
| METLIFE INC                    | MET    | 3,266    | 106,728                | 101,834                 |
| MICROSOFT CORP                 | MSFT   | 3,764    | 103,915                | 97,713                  |

| Description             | Symbol | Quantity | Cost or Other<br>Basis | Current Market<br>Value |
|-------------------------|--------|----------|------------------------|-------------------------|
| MOTOROLA SOLUTIONS INC  | MSI    | 1,545    | 69,613                 | 71,518                  |
| MURPHY OIL CORP         | MUR    | 1,460    | 101,910                | 81,380                  |
| ORACLE CORP             | ORCL   | 2,729    | 61,788                 | 69,999                  |
| PFIZER INC              | PFE    | 5,019    | 79,482                 | 108,611                 |
| ST JUDE MEDICAL INC     | STJ    | 2,485    | 94,767                 | 85,236                  |
| STAPLES INC             | SPLS   | 3,430    | 47,910                 | 47,643                  |
| STATE STREET CORP       | STT    | 2,280    | 91,864                 | 91,907                  |
| SYSCO CORP              | SYU    | 1,880    | 54,373                 | 55,140                  |
| UNITED HEALTH GROUP INC | UNH    | 1,601    | 45,339                 | 81,139                  |
| V F CORP                | VFC    | 587      | 40,988                 | 74,543                  |
| VERIZON COMMUNICATIONS  | VZ     | 2,778    | 77,328                 | 111,453                 |
| WELLS FARGO & CO NEW    | WFC    | 3,128    | 95,672                 | 86,208                  |

**TOTAL STOCK AND OPTIONS # 25697**

**3,774,571**

**3,981,398**

MORGAN STANLEY SMITH BARNEY #25699  
STOCK AND OPTIONS  
12/31/2011

| Description                    | Symbol | Quantity | Cost or Other Basis | Current Market Value |
|--------------------------------|--------|----------|---------------------|----------------------|
| COVIDIEN PLC                   | COV    | 914      | 45,295              | 41,139               |
| TYCO INTL LTD CHF              | TYC    | 986      | 47,052              | 46,056               |
| ASML HLDG NV NEW YORK REG      | ASML   | 1,217    | 51,545              | 50,858               |
| ABERCROMBIE & FITCH CO CLASS A | ANF    | 801      | 47,642              | 39,121               |
| ALLERGAN INC                   | AGN    | 665      | 45,172              | 58,347               |
| AMAZON COM INC                 | AMZN   | 164      | 28,649              | 28,388               |
| AMERICAN ELECTRIC POWER CO INC | AEP    | 1,171    | 44,959              | 48,374               |
| AMERICAN EXPRESS CO            | AXP    | 891      | 44,335              | 42,028               |
| APPLE INC                      | AAPL   | 851      | 111,217             | 344,655              |
| BG GROUP PLC SPON ADR          | BRGY   | 365      | 43,825              | 39,055               |
| BIOGEN IDEC INC                | BIIB   | 363      | 40,633              | 39,948               |
| BOEING CO                      | BA     | 700      | 47,427              | 51,345               |
| BORGWARNER INC                 | BWA    | 770      | 47,205              | 49,080               |
| CERNER CORP                    | CERN   | 353      | 20,210              | 21,621               |
| CITRIX SYSTEMS INC             | CTXS   | 994      | 53,875              | 60,356               |
| COACH INC                      | COH    | 769      | 26,939              | 46,940               |
| COCA-COLA CO                   | KO     | 2,014    | 123,514             | 140,920              |
| COMERICA INC                   | CMA    | 1,342    | 50,578              | 34,624               |
| DANAHER CORP DE                | DHR    | 833      | 44,823              | 39,184               |
| EMC CORP-MASS                  | EMC    | 2,118    | 29,478              | 45,622               |
| EOG RESOURCES INC              | EOG    | 707      | 72,717              | 69,647               |
| EDWARDS LIFESCIENCES CORP      | EW     | 634      | 42,712              | 44,824               |
| EXPRESS SCRIPTS INC.COMMON     | ESRX   | 1,001    | 55,346              | 44,735               |
| FAMILY DOLLAR STORES INC       | FDO    | 1,052    | 59,460              | 60,658               |
| GOOGLE INC CLASS A             | GOOG   | 316      | 187,523             | 204,104              |
| ILLUMINA INC                   | ILMN   | 1,053    | 67,189              | 32,095               |
| INTEL CORP                     | INTC   | 1,949    | 45,426              | 47,263               |
| JPMORGAN CHASE & CO            | JPM    | 1,942    | 65,877              | 64,572               |
| JOHNSON & JOHNSON              | JNJ    | 985      | 64,744              | 64,596               |
| JUNIPER NETWORKS INC           | JNPR   | 1,629    | 54,950              | 33,248               |
| KIMBERLY CLARK CORP            | KMB    | 558      | 39,860              | 41,046               |
| KOHL'S CORP                    | KSS    | 850      | 40,734              | 41,948               |
| KROGER CO                      | KR     | 2,678    | 66,143              | 64,861               |
| LAS VEGAS SANDS CORP           | LVS    | 1,389    | 59,854              | 59,352               |
| ESTEE LAUDER COS INC CL A      | EL     | 511      | 49,009              | 57,396               |
| LORILLARD INC                  | LO     | 357      | 40,559              | 40,698               |
| MCDONALDS CORP                 | MCD    | 806      | 66,541              | 80,866               |

| Description                     | Symbol | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|---------------------------------|--------|----------|------------------------|-------------------------|
| MEAD JOHNSON NUTRITION CO       | MJN    | 1,010    | 48,908                 | 69,417                  |
| MICROSOFT CORP                  | MSFT   | 3,216    | 79,554                 | 83,487                  |
| MONSANTO CO NEW                 | MON    | 1,376    | 98,560                 | 96,416                  |
| NATIONAL OILWELL VARCO INC      | NOV    | 844      | 66,299                 | 57,384                  |
| NETFLIX INC                     | NFLX   | 584      | 53,664                 | 40,465                  |
| ORACLE CORP                     | ORCL   | 4,840    | 128,460                | 124,146                 |
| PEPSICO INC                     | PEP    | 633      | 41,971                 | 42,000                  |
| PRAXAIR INC                     | PX     | 422      | 41,677                 | 45,112                  |
| PRECISION CASTPARTS CORP        | PCP    | 566      | 71,639                 | 93,271                  |
| PROCTER & GAMBLE CO             | PG     | 933      | 61,628                 | 62,240                  |
| QUALCOMM INC                    | QCOM   | 1,174    | 66,189                 | 64,218                  |
| RANGE RESOURCES CORP            | RRC    | 553      | 23,790                 | 34,253                  |
| ROCKWELL AUTOMATION INC         | ROK    | 828      | 63,389                 | 60,750                  |
| SALESFORCE.COM INC              | CRM    | 338      | 41,752                 | 34,293                  |
| SANDISK CORP                    | SNDK   | 1,037    | 52,075                 | 51,031                  |
| SCHLUMBERGER LTD                | SLB    | 1,399    | 105,246                | 95,566                  |
| SIGMA-ALDRICH CORP              | SIAL   | 605      | 43,580                 | 37,788                  |
| STARBUCKS CORP                  | SBUX   | 1,646    | 45,807                 | 75,732                  |
| STARWOOD HOTELS & RESORTS       | HOT    | 1,324    | 69,536                 | 63,512                  |
| STERICYCLE INC                  | SRCL   | 250      | 20,240                 | 19,480                  |
| TIME WARNER INC                 | TWX    | 1,237    | 45,697                 | 44,705                  |
| TYSON FOODS INC-CL A            | TSN    | 2,772    | 51,099                 | 57,214                  |
| UNION PACIFIC CORP              | UNP    | 687      | 59,980                 | 72,781                  |
| UNITED TEHCNOLOGIES CORP        | UTX    | 516      | 29,146                 | 37,714                  |
| UNITEDHEALTH GROUP INC          | UNH    | 1,075    | 37,187                 | 54,481                  |
| V F CORP                        | VFC    | 420      | 33,239                 | 53,336                  |
| VERIFONE SYSTEMS INC            | PAY    | 768      | 30,350                 | 27,279                  |
| WAL-MART STORES INC             | WMT    | 501      | 26,417                 | 29,940                  |
| WATERS CORP                     | WAT    | 658      | 56,737                 | 48,725                  |
| YUM BRANDS INC                  | YUM    | 908      | 50,231                 | 53,581                  |
| TOTAL STOCK AND OPTIONS # 25699 |        |          | 3,717,067              | 4,049,889               |

MORGAN STANLEY SMITH BARNEY #25695  
STOCK AND OPTIONS  
12/31/2011

| Description                | Symbol | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|----------------------------|--------|----------|------------------------|-------------------------|
| BUNGE LIMITED              | BG     | 455      | 22,525                 | 26,026                  |
| COOPER INDUSTRIES PLC      | CBE    | 1,295    | 59,707                 | 70,124                  |
| INGERSOLL-RAND PUBLIC LTD  | IR     | 1,525    | 64,389                 | 46,467                  |
| NABORS INDUSTRIES LTD-USD  | NBR    | 3,525    | 127,068                | 61,124                  |
| PARTNERRE LTD -BMD         | PRE    | 320      | 23,745                 | 20,547                  |
| WEATHERFORD INTERNATIONAL  | WFT    | 3,350    | 133,319                | 49,044                  |
| FOSTER WHEELER AG          | FWLT   | 510      | 11,971                 | 9,761                   |
| NOBLE CORPORATION-CHF      | NE     | 2,605    | 159,760                | 78,723                  |
| TRANSOCEAN LTD SWITZERLAND | RIG    | 1,000    | 156,352                | 38,390                  |
| UBS AG (NEW)               | UBS    | 1,910    | 51,289                 | 22,595                  |
| CORE LABORATORIES N V-USD  | CLB    | 350      | 23,748                 | 39,883                  |
| AGRIUM INC USD             | AGU    | 680      | 22,781                 | 45,635                  |
| AXA S.A.SPONS ADR          | AXAHY  | 1,080    | 28,275                 | 13,889                  |
| BASF SE COMMON STOCK       | BASFY  | 670      | 49,014                 | 46,719                  |
| BHP BILLITON LTD SPONS     | BHP    | 1,240    | 117,800                | 87,581                  |
| BRITISH AMERICAN TOBACCO   | BTI    | 690      | 54,275                 | 65,467                  |
| BROOKFIELD ASSET MGMT INC  | BAM    | 655      | 23,761                 | 17,999                  |
| CANADIAN NATL RAILWAY CO   | CNI    | 830      | 47,157                 | 65,205                  |
| CANADIAN NATURAL RES LTD   | CNQ    | 1,685    | 79,114                 | 62,968                  |
| CANADIAN PACIFIC RAILWAY   | CP     | 1,090    | 74,247                 | 73,760                  |
| DIAGEO PLC SPON ADR-NEW    | DEO    | 740      | 60,028                 | 64,691                  |
| ENSIGN ENERGY SVCS INC-CAD | ESVIF  | 530      | 11,783                 | 8,431                   |
| FIBRIA CELLULOSE S A ADR   | FBR    | 181      | 2,743                  | 1,406                   |
| FINNING INTERNATIONAL INC  | FINGF  | 155      | 4,029                  | 3,370                   |
| MANULIFE FINANCIAL CORP    | MFC    | 605      | 23,557                 | 6,425                   |
| NESTLE S A SPONSORED ADR   | NSRGY  | 1,650    | 81,224                 | 95,222                  |
| NOVARTIS AG ADR            | NVS    | 925      | 47,536                 | 52,882                  |
| POTASH CORP SASK INC-      | POT    | 2,205    | 84,650                 | 91,022                  |
| RIO TINTO PLC-GBP          | RIO    | 860      | 118,828                | 42,071                  |
| SCHLUMBERGER LTD           | SLB    | 1,145    | 120,397                | 78,215                  |
| SUNCOR ENERGY INC NEW      | SU     | 1,870    | 120,684                | 53,912                  |
| SYNGENTA AG ADR            | SYT    | 525      | 20,250                 | 30,944                  |
| TALISMAN ENERGY INC        | TLM    | 1,020    | 24,395                 | 13,005                  |
| TECK RESOURCES LTD CL B    | TCK    | 945      | 48,691                 | 33,255                  |
| TENARIS S A                | TS     | 1,745    | 98,705                 | 64,879                  |
| TRICAN WELL SERVICE LTD    | TOLWF  | 225      | 4,928                  | 3,866                   |
| UNILEVER NV NY SHS-NEW     | UN     | 1,580    | 53,781                 | 54,305                  |

| Description                     | Symbol | Quantity | Cost or Other<br>Basis | Current<br>Market Value |
|---------------------------------|--------|----------|------------------------|-------------------------|
| VALE S A SPON ADR               | VALE   | 2,365    | 93,706                 | 50,729                  |
| YARA INTL ASA-USD               | YARIY  | 55       | 4,634                  | 2,192                   |
| TOTAL STOCK AND OPTIONS # 25695 |        |          | 2,354,843              | 1,692,729               |

**Lillian S. Wells Foundation, Inc.**

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**Form 990-PF**  
**For the year ended December 31, 2011**

**Appendix B**  
**Open End Mutual Funds**

MORGAN STANLEY SMITH BARNEY #25692  
OPEN END MUTUAL FUNDS  
12/31/2011

| Description                     | Symbol | Quantity | Cost or<br>Other Basis | Current<br>Market Value |
|---------------------------------|--------|----------|------------------------|-------------------------|
| SPDR GOLD TR GOLD SHS           | GLD    | 916      | 87,313                 | 139,223                 |
| TOTAL OPEN MUTUAL FUNDS # 25692 |        |          | 87,313                 | 139,223                 |

MORGAN STANLEY SMITH BARNEY #25691  
OPEN END MUTUAL FUNDS  
12/31/2011

| Description                     | Symbol | Quantity  | Cost or Other<br>Basis | Current<br>Market Value |
|---------------------------------|--------|-----------|------------------------|-------------------------|
| PIA MBS Bond Fund               | PMTGX  | 15,699.25 | 156,678.55             | 156,835.55              |
| PIA BBB Bond Fund               | PBBBX  | 45,652.23 | 396,845                | 447,392                 |
| TOTAL OPEN MUTUAL FUNDS # 25691 |        |           | 553,523                | 604,227                 |

MORGAN STANLEY SMITH BARNEY #25700  
OPEN END MUTUAL FUNDS  
12/31/2011

| Description                     | Symbol | Quantity | Cost or Other<br>Basis | Current Market<br>Value |
|---------------------------------|--------|----------|------------------------|-------------------------|
| Fixed Income Shares FD Series C | FXICX  | 99,598   | 1,232,465              | 1,241,987               |
| Fixed Income Shares FD Series M | FXIMX  | 117,839  | 1,086,769              | 1,225,526               |
| TOTAL OPEN MUTUAL FUNDS # 25700 |        |          | 2,319,234              | 2,467,513               |

MORGAN STANLEY SMITH BARNEY #25700  
MORTGAGE AND ASSET BACKED SECURITIES  
12/31/2011

| Description                    | CUSIP #   | Quantity | Cost or Other<br>Basis | Current Market<br>Value |
|--------------------------------|-----------|----------|------------------------|-------------------------|
| FNMA PL#824421 DTD 05/01/2005  | 31406Y4E7 | 7,000    | 2,761                  | 2,793                   |
| FNMA PL#735579 DTD 05/01/2005  | 31402RFU8 | 12,000   | 4,114                  | 4,143                   |
| FNMA PL#735580 DTD 05/01/2005  | 31402RFV6 | 357,000  | 140,693                | 126,128                 |
| FNMA PL#735676 DTD 06/01/2005  | 31402RJV2 | 387,000  | 134,836                | 135,012                 |
| FNMA PL#AE0115 DTD 06/01/2010  | 31419ADV6 | 515,000  | 368,466                | 369,769                 |
| FNMA PL#745275 DTD 01/01/2006  | 31403C6L0 | 50,000   | 18,556                 | 19,611                  |
| FNMA PL#745343 DTD 02/01/2006  | 31403DBL2 | 9,000    | 2,932                  | 2,933                   |
| FNMA PL#745418 DTD 03/01/2006  | 31403DDX4 | 78,000   | 26,947                 | 26,641                  |
| FNMA PL#903812 DTD 12/01/2006  | 31411CDR9 | 17,000   | 5,086                  | 5,025                   |
| FNMA PL#972295 DTD 02/01/2008  | 31414PUU1 | 22,000   | 5,443                  | 5,359                   |
| FHLMC PL#G04913 DTD 11/01/2008 | 3128M6YJ1 | 30,000   | 13,459                 | 13,508                  |
| FNMA PL#889643 DTD 06/01/2008  | 31410KLY8 | 149,000  | 80,151                 | 69,399                  |
| FNMA PL#889697 DTD 06/01/2008  | 31410KNN0 | 47,000   | 19,701                 | 15,888                  |
| FHLMC PL#G04688 DTD 09/01/2008 | 3128M6RH3 | 46,000   | 16,547                 | 16,615                  |
| FNMA PL#190391 DTD 08/01/2008  | 31368HNG4 | 64,000   | 22,522                 | 22,327                  |
| FNMA PL#930071 DTD 10/01/2008  | 31412NJQ0 | 272,000  | 150,160                | 58,722                  |
| FNMA PL#889982 DTD 10/01/2008  | 31410KXK5 | 105,000  | 40,193                 | 39,708                  |
| FNMA PL#AB1248 DTD 06/01/2010  | 31416WL67 | 3,000    | 2,491                  | 2,480                   |
| FNMA PL#AB1389 DTD 07/01/2010  | 31416WRK0 | 244,000  | 185,544                | 193,873                 |
| FHLMC PL#A96834 DTD 02/01/2011 | 312945SX7 | 9,000    | 6,814                  | 7,117                   |
| FHLMC PL#A97047 DTD 02/01/2011 | 312945ZL5 | 164,000  | 148,351                | 156,106                 |
| FNMA PL#AH5583 DTD 02/01/2011  | 3138A7FZ6 | 168,000  | 154,975                | 163,647                 |
| FNMA PL#AE0984 DTD 02/01/2011  | 31419BCW3 | 107,000  | 99,051                 | 103,339                 |
| FHLMC PL#A97618 DTD 03/01/2011 | 312946PB6 | 29,000   | 27,699                 | 27,858                  |
| FNMA PL#AI1888 DTD 05/01/2011  | 3138AFC24 | 6,000    | 5,586                  | 5,617                   |

TOTAL MORTGAGE AND ASSET BACKED SECURITIES # 25700

1,683,076

1,593,617

**Lillian S. Wells Foundation, Inc.**

**Form 990-PF  
For the year ended December 31, 2011**

**Appendix C  
Corporate and Foreign Bonds**

MORGAN STANLEY SMITH BARNEY #25691  
CORPORATE & FOREIGN BONDS  
12/31/2011

| Description                             | CUSIP #   | Quantity   | Cost or Other<br>Basis | Current<br>Market Value |
|---|-----------|------------|------------------------|-------------------------|
| Verizon Communications                  | 92343VBD5 | 158,000.00 | 157,918                | 158,447                 |
| ConocoPhillips                          | 20825CAT1 | 151,000.00 | 154,641                | 167,004                 |
| JP Morgan Chase & Co                    | 46625HCE8 | 149,000.00 | 157,393                | 158,472                 |
| General Electric Cap Corp               | 36962G2G8 | 147,000.00 | 143,015                | 163,326                 |
| Pfizer, Inc                             | 717081DA8 | 139,000.00 | 159,720                | 157,235                 |
| ATT                                     | 00206RAM4 | 142,000.00 | 145,806                | 164,997                 |
| TOTAL CORPORATE & FOREIGN BONDS # 25691 |           |            | 918,492                | 969,482                 |

# 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.

|   |   |  |
|---|---|--|
| Type or print<br><br>File by the due date for filing your return. See instructions. | Name of exempt organization or other filer, see instructions  | Employer identification number (EIN) or                  |
|   | <b>LILLIAN S. WELLS FOUNDATION, INC.</b>  | <input checked="" type="checkbox"/> <b>23-7433827</b>    |
|   | Number, street, and room or suite no. If a P O box, see instructions<br><b>600 SAGAMORE ROAD</b>                            | Social security number (SSN)<br><input type="checkbox"/> |
|   | City, town or post office, state, and ZIP code. For a foreign address, see instructions<br><b>FORT LAUDERDALE, FL 33301</b> |  |

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

**0 4**

| 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          |

**J. PALMIERI**

- The books are in the care of ► **600 SAGAMORE ROAD - FORT LAUDERDALE, FL 33301**  
Telephone No ► **954-712-9912** 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

|  |    |    |                |
|--|----|----|----------------|
| 3a 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                                   | 3a | \$ | <b>81,060.</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 | 3b | \$ | <b>47,460.</b> |
| c <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      | 3c | \$ | <b>33,600.</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

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 1-2012)