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

2011

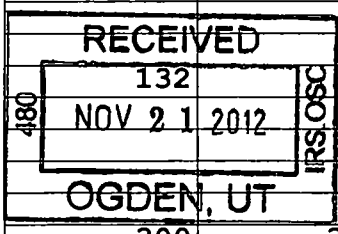
Department of the Treasury
Internal Revenue Service

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

For calendar year **2011** or tax year beginning , **2011**, and ending , **20**

Name of foundation DENMAN FOUNDATION		A Employer identification number 31-1573295
Number and street (or P O box number if mail is not delivered to street address) 19552 SANDCASTLE DR.	Room/suite	B Telephone number (see instructions) (713) 827-1704
City or town, state, and ZIP code SPICEWOOD TX 78669		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply. <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <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) \$ 2,464,949	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <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 (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	27,523	27,523	27,523	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	56			
	b Gross sales price for all assets on line 6a	56			
	7 Capital gain net income (from Part IV, line 2)		56		
	8 Net short-term capital gain			56	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	27,579	27,579	27,579		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	300	300	300	
	24 Total operating and administrative expenses. Add lines 13 through 23	432	300	300	0
	25 Contributions, gifts, grants paid	70,000			70,000
26 Total expenses and disbursements. Add lines 24 and 25	70,432	300	300	70,000	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	(42,853)				
b Net investment income (if negative, enter -0-)		27,279			
c Adjusted net income (if negative, enter -0-)			27,279		



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	14,393	14,393	14,393
	2 Savings and temporary cash investments	2,265,477	1,530,267	1,530,269
	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 (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	1,857	1,725	1,725
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	144,656	837,145	918,562
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment, basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	2,426,383	2,383,530	2,464,949	
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 (attach schedule)			
	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 and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	2,426,383	2,383,530	
30 Total net assets or fund balances (see instructions)	2,426,383	2,383,530		
31 Total liabilities and net assets/fund balances (see instructions)	2,426,383	2,383,530		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,426,383
2 Enter amount from Part I, line 27a	2	(42,853)
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	2,383,530
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	2,383,530

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	ADVANCED SEMICONDUCTOR ENGINEERING INC	P	09/10/10	02/08/11
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a 56	0	0	56	
b 0	0	0	0	
c 0	0	0	0	
d 0	0	0	0	
e 0	0	0	0	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a 0	0	0	56	
b 0	0	0	0	
c 0	0	0	0	
d 0	0	0	0	
e 0	0	0	0	
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	56
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) (see instructions) If (loss), enter -0- in Part I, line 8		3	56

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	74,868	2,456,251	0.0305
2009	80,749	2,365,725	0.0341
2008	56,000	2,644,823	0.0212
2007	57,000	2,819,799	0.0202
2006	61,000	2,495,179	0.0244
2	Total of line 1, column (d)		2 0.1304
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3 0.02608
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5		4 2,412,950
5	Multiply line 4 by line 3		5 62,930
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 273
7	Add lines 5 and 6		7 63,203
8	Enter qualifying distributions from Part XII, line 4 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.		8 70,000

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	273
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0
3	Add lines 1 and 2	3	273
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	273
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,725
b	Exempt foreign organizations—tax withheld at source	6b	0
c	Tax paid with application for extension of time to file (Form 8868)	6c	0
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d	7	1,725
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	1,452
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax 1,452 Refunded	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>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.</i>		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: (1) On the foundation. \$ 0 (2) On foundation managers \$ 0		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ 0		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		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? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TEXAS		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► NONE	13	X	
14	The books are in care of ► RONALD O. PALMER Telephone no ► (713) 724-7790 Located at ► 19552 SANDCASTLE DR., SPICEWOOD, TX ZIP+4 ► 78669-6702			
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			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		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	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____		
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.)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry 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)? (see instructions) 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)? **5b** N A
 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? 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**
 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? **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 (see instructions).

(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
ERNESTINE N. PALMER 19552 SANDCASTLE DR. HOUSTON TX 78669	DIRECTOR AS REQUIRED	0	0	0
RONALD O. PALMER 19552 SANDCASTLE DR. HOUSTON TX 78669	DIRECTOR AS REQUIRED	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). 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

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	744,648
b	Average of monthly cash balances	1b	1,705,047
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	2,449,695
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	2,449,695
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see instructions)	4	36,745
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,412,950
6	Minimum investment return. Enter 5% of line 5	6	120,648

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	120,648
2a	Tax on investment income for 2011 from Part VI, line 5	2a	273
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	0
c	Add lines 2a and 2b	2c	273
3	Distributable amount before adjustments Subtract line 2c from line 1	3	120,375
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	120,375
6	Deduction from distributable amount (see instructions)	6	0
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	120,375

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	70,000
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	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	70,000
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 (see instructions)	5	273
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	69,727

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				120,375
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0	
b Total for prior years: 20__, 20__, 20__		0		
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$				
a Applied to 2010, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2011 distributable amount				70,000
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2010. Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				50,375
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2007	0			
b Excess from 2008	0			
c Excess from 2009	0			
d Excess from 2010	0			
e Excess from 2011	0			

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

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

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

	Tax year				(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	27,279	16,413	25,138	65,471	134,301
b 85% of line 2a	23,187	13,951	21,367	55,650	114,155
c Qualifying distributions from Part XII, line 4 for each year listed	70,000	75,000	81,000	56,000	282,000
d Amounts included in line 2c not used directly for active conduct of exempt activities	0	0	0	0	0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	70,000	75,000	81,000	56,000	282,000
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets	0	0	0	0	0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)	0	0	0	0	0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	80,432	81,875	78,857	88,161	329,325
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)	0	0	0	0	0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)	0	0	0	0	0
(3) Largest amount of support from an exempt organization	0	0	0	0	0
(4) Gross investment income	0	0	0	0	0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

RONALD O. PALMER ERNESTINE N. PALMER

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

N/A

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

N/A

c Any submission deadlines.

N/A

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

N/A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
TEXAS CHILDREN'S HOSPITAL P.O.BOX 300630 HOUSTON, TX 77230-0630			CARDIAC VALVE & DR.NANCY RS	40,000
BOYS & GIRLS CLUBS OF DEEP EAST TEXAS P.O.BOX 631345 NACOGDOCHES, TX 75963-1345			OPERATING EXPENSES	10,000
GIRLS INC OF HAMBLEN CTY P.O.BOX 3058 MORRISTON, TN 37815-3058			SUPPORT-A-GIRL CAMPAIGN	10,000
BOYS & GIRLS CLUBS OF MORRI			OPERATING EXPENSES	10,000
Total				70,000
b Approved for future payment				
NONE				
Total				0

**DENMAN FOUNDATION
31-1573295
SUPPORT FOR FORM 990-PF
2011**

**PART X, MINIMUM INVESTMENT RETURN,
LINES 1(A) AND 1(B)
ACCOUNT # 61956 FB**

	Securities	Cash	Total
1/31/2011	\$ 469,979	\$ 792,621	\$1,262,600
2/28/2011	580,110	701,102	\$1,281,212
3/31/2011	655,635	623,682	\$1,279,317
4/29/2011	688,029	624,247	\$1,312,276
5/31/2011	684,015	626,415	\$1,310,430
6/30/2011	686,065	628,984	\$1,315,049
7/29/2011	744,424	551,837	\$1,296,261
8/31/2011	873,559	434,275	\$1,307,834
9/30/2011	853,458	438,288	\$1,291,746
10/31/2011	886,756	438,895	\$1,325,651
11/30/2011	895,104	372,144	\$1,267,248
12/30/2011	918,562	376,009	\$1,294,571

TOTAL

\$ 8,935,696 \$ 6,608,499

ACCOUNT #19729 FB

	Securities	Cash	Total
1/31/2011	86	\$ 1,154,247	\$1,154,333
2/28/2011	-	1,154,312	\$1,154,312
3/31/2011	-	1,154,322	\$1,154,322
4/29/2011	-	1,154,332	\$1,154,332
5/31/2011	-	1,154,341	\$1,154,341
6/30/2011	-	1,154,351	\$1,154,351
7/29/2011	-	1,154,361	\$1,154,361
8/31/2011	-	1,154,371	\$1,154,371
9/30/2011	-	1,154,381	\$1,154,381
10/31/2011	-	1,154,390	\$1,154,390
11/30/2011	-	1,154,399	\$1,154,399
12/30/2011	-	1,154,260	\$1,154,260

TOTAL

\$ 86 \$13,852,067

TOTAL FOR YEAR

\$ 8,935,782 \$20,460,566

AVERAGE OF 12 MOS

\$ 744,648 \$ 1,705,047

DENMAN FOUNDATION
 31-1573295
 SUPPORT FOR FORM 990-PF
 2011

PART I, LINE 16B, COL (A), (B), & (C)
 ACCOUNTING FEES - INCOME TAX PREPARATION

\$ -

PART I, LINE 18, COL (A)
 EXCISE TAXES PAID
 FOREIGN TAXES WITHHELD

132

\$ -
 \$ 132

PART I, LINE 23, COL (A), (B), & (C)
 INVESTMENT EXPENSES

300
 \$ 300

PART II, LINE 10B, COL (A)
 COMMON-STOCK-AT COST
 CLOSED END MUTUAL FUNDS-AT COST
 MUTUAL FUNDS-AT COST
 PREFERRED SECURITIES-AT COST
 GOVERNMENT SECURITIES-AT COST
 CLOSED END MUTUAL FUNDS-AT COST(SEE UBS FINANCIAL STMT DEC 2010)

0

144,656
 \$ 144,656

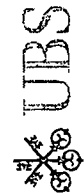
PART II, LINE 10B, COL (B)
 COMMON STOCK-AT COST (SEE UBS FINANCIAL STMT 61956)
 OTHER EQUITY INVESTMENTS - AT COST (SEE UBS FINANCIAL STMT 61956)
 CLOSED END MUTUAL FUNDS-AT COST(SEE UBS FINANCIAL STMT 61956)
 CLOSED END MUTUAL FUNDS-AT COST(SEE UBS FINANCIAL STMT 19729)
 MUTUAL FUNDS-AT COST (SEE UBS FINANCIAL STMT 19729)
 PREFERRED SECURITIES-AT COST (SEE UBS FINANCIAL STMT 19729)
 GOVERNMENT SECURITIES-AT COST (SEE UBS FINANCIAL STMT 19729)

\$ 607,659
 \$ 79,874
 149,612
 -
 -
 -
 -
 \$ 837,145

DENMAN FOUNDATION
 31-1573295
 SUPPORT FOR FORM 990-PF
 2011

PART II, LINE 10B, COL (C)

COMMON STOCK-END OF YEAR VALUE (SEE UBS FINANCIAL STMT 19729)	\$	-
CLOSED END MUTUAL FUNDS-END OF YEAR VALUE (SEE UBS FINANCIAL STMT 19729)		-
MUTUAL FUNDS-END OF YEAR VALUE (SEE UBS FINANCIAL STMT 19729)		-
PREFERRED SECURITIES-END OF YEAR VALUE (SEE UBS FINANCIAL STMT 19729)		-
GOVERNMENT SECURITIES-END OF YEAR VALUE (SEE UBS FINANCIAL STMT 19729)		-
COMMON STOCK-END OF YEAR VALUE (SEE UBS FINANCIAL STMT 61956)		661,950
OTHER EQUITY INVESTMENTS - END OF YEAR VALUE (SEE UBS FINANCIAL STMT 6195)		92,760
CLOSED END MUTUAL FUNDS-END OF YEAR VALUE(SEE UBS FINANCIAL STMT 61956)		163,852
	\$	<u>918,562</u>



Business Services Account
December 2010

Account name: DENMAN FOUNDATION
Account number: HS 61956 FB

Your Financial Advisor
BARNET FISHBEIN
713-654-0200/800-553-3119

Your assets

Some prices, income and current values shown may be approximate. As a result, gains and losses may not be accurately reflected. See *Important information about your statement* at the end of this document for more information.

Cash

Cash and money balances

Holding	Opening balance on Dec 1 (\$)	Closing balance on Dec 31 (\$)	Price per share on Dec 31 (\$)	Average rate	Dividend/Interest period	Days in period
RMA MONEY MKT PORTFOLIO	1,113,107.58	1,111,238.93	1.00	0.01%	Nov 23 to Dec 26	34

Fixed income

Closed end funds & Exchange traded products

Holding	Trade date	Number of shares	Purchase price per share (\$)	Cost basis (\$)	Price per share on Dec 31 (\$)	Value on Dec 31 (\$)	Unrealized gain or loss (\$)	Holding period
WESTERN ASSET/CLAYMORE INFLATION LINKED SECS & INCOME FUND								
Symbol WIA Exchange NYSE EAI \$5.283 Current yield 3.27%	Jul 11, 06	10,000,000	11.336	114,232.40	12.830	128,300.00	14,067.60	LT
Security total	Earnings	2,578,000	11.801	30,423.11	12.830	33,075.74	2,652.63	
		12,578,000		144,655.51		161,375.74	16,720.23	

Your total assets

	Value on Dec 31 (\$)	Percentage of your account	Cost basis (\$)	Estimated annual income (\$)	Unrealized gain or loss (\$)
Cash	1,111,238.93	87.32%	1,111,238.93		
Cash and money balances					
Closed end funds & Exchange traded products	161,375.74	12.68%	144,655.51	5,283.00	16,720.23
Total	\$1,272,614.67	100.00%	\$1,255,894.44	\$5,283.00	\$16,720.23





Your assets

Some prices, income and current values shown may be approximate. As a result, gains and losses may not be accurately reflected. See *Important information about your statement* at the end of this document for more information.

Cash

Cash and money balances

Holding	Opening balance on Dec 1 (\$)	Closing balance on Dec 31 (\$)	Price per share on Dec 31 (\$)	Average rate	Dividend/Interest period	Value on Dec 31 (\$)	Days in period
RMA MONEY MKT. PORTFOLIO	1,154,318.87	1,154,237.67	1.00	0.01%	Nov 23 to Dec 26	80.36	34

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price per share (\$)	Price per share on Dec 31 (\$)	Cost basis (\$)	Value on Dec 31 (\$)	Unrealized gain or loss (\$)	Holding period
ADVANCED SEMICONDUCTOR ENGINEERING INC SPON ADR Symbol: ASX Exchange: NYSE		14,000	—This information was unavailable—	5.740		80.36		

Your total assets

	Value on Dec 31 (\$)	Percentage of your account	Cost basis (\$)	Estimated annual income (\$)	Unrealized gain or loss (\$)
Cash	1,154,237.67	99.99%	1,154,237.67		
Equities	80.36	0.01%			
Total	\$1,154,318.03	100.00%	\$1,154,237.67		

* Missing cost basis information.

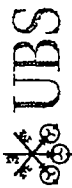
Account activity this month

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document.

Date	Activity	Description	Your expense code	Quantity/Face value	Price/Value (\$)	Cash amount (\$)	Cash and money balance (\$)
Nov 30		Cash and money balance					\$1,154,318.87
Dec 6	Fee Charge	ANNUAL FEE CHARGE				-150.00	1,154,168.87

continued next page





UBS Financial Services Inc
1000 Main Street
26th Floor
Houston TX 77002-6336

CPP1002358119 1211 X24 HS 0

Business Services Account

December 2011

To:

From: UBS

Fax: UBS

at: 20-APR-2012-15: 13 Doc: 548 Page: 044

Your Financial Advisor:

BARNET FISHBEIN

Phone 713-654-0200 800-553-3119

Questions about your statement?

Call your Financial Advisor or the ResourceLine at 800-762-1000, account 055061956

Visit our website

www.ubs.com/financialservices

Your investment objectives:

You have identified the following investment objectives for this account. If you have questions about these objectives, disagree with them, or wish to change them, please contact your Financial Advisor or Branch Manager. You can find a full description of the alternative investment objectives in *Important information about your statement* at the end of this document.

Your return objective:

Current income & capital appreciation

Your risk profile:

Primary - Moderate
Secondary - None selected

Account name: DENMAN FOUNDATION

Account number: HS 61956 FB

Value of your account

	on November 30 (\$)	on December 30 (\$)
Your assets	1,267,248.17	1,294,570.81
Your liabilities	0.00	0.00
Value of your account	\$1,267,248.17	\$1,294,570.81

Your account instructions

- Statement copies are sent to 1 interested party
 - CHARLES THERIOT CPA
 - ATTN CRAIG BREERWOOD

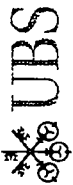
Change in the value of your account

	December 2011 (\$)	Year to date (\$)
Opening account value	\$1,267,248.17	\$1,272,614.67
Withdrawals and fees, including investments transferred out	-150.00	-70,150.00
Dividend and interest income	4,424.34	27,408.28
Change in market value	23,048.30	64,697.86
Closing account value	\$1,294,570.81	\$1,294,570.81

Member SIPC

CPP10004002358119 PP1000057714 00007 1211X24 005425295 0 HS FE

Page 59 of 80



Account name:
Account number:

DENMAN FOUNDATION
HS 61956 FB

To:

From: UBS

Fax: UBS

at: 20-APR-2012-15: 13 Doc: 548 Page: 045

Cash activity summary

See the section *Account activity this month* for details. UBS Bank USA deposit account balances are included in the opening and closing balances. Value, are insured by the FDIC within applicable limits, but are not protected by SIPC. See *Important information about your statement* at the end of this document for details about those balances.

	December 2011 (\$)	Year to date (\$)
Opening balances	\$372,144.13	\$1,111,238.93
<i>Additions</i>		
Dividend and interest income	4,424.34	27,408.28
Total additions	\$4,424.34	\$27,408.28
<i>Subtractions</i>		
Checks and bill payments	0.00	-70,000.00
Annual fee	-150.00	-150.00
Funds withdrawn for investments bought	-409.98	-692,488.72
Total subtractions	-\$559.98	-\$762,638.72
Net cash flow	\$3,864.36	-\$735,230.44
Closing balances	\$376,008.49	\$376,008.49

Dividend and interest income earned

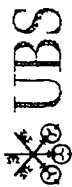
For purposes of this statement, taxability of interest and dividend income has been determined from a US tax reporting perspective. Based upon the residence of the account holder, account type, or product type, some interest and/or dividend payments may not be subject to United States (US) and/or Puerto Rico (PR) income taxes. The client monthly statement is not intended to be used and cannot be relied upon for tax purposes. Clients should refer to the applicable tax reporting forms they receive from UBS annually, such as the Forms 1099 and the Forms 480, for tax reporting information. It is the practice of UBS to file the applicable tax reporting forms with the US Internal Revenue Service and PR Treasury Department, and in such forms accurately classify dividends and/or interest as tax exempt or taxable income. Please consult your individual tax preparer.

	December 2011 (\$)	Year to date (\$)
Taxable dividends	4,424.34	23,336.55
Private investment distributions	0.00	3,630.00
Total current year	\$4,424.34	\$26,966.55
Prior year adjustment	0.00	441.73
Total dividend & interest	\$4,424.34	\$27,408.28

Summary of gains and losses

Values reported below exclude products for which gains and losses are not classified

	Realized gains and losses		Unrealized gains and losses (\$)
	December 2011 (\$)	Year to date (\$)	
Short term	0.00	0.00	67,087.68
Long term	0.00	0.00	14,330.41
Total	\$0.00	\$0.00	\$81,418.09



Business Services Account
December 2011

Account name:
DENMAN FOUNDATION
Account number:
HS 61956 FB

Your Financial Advisor:
BARNET FISHBEIN
713-654-0200/800-553-3119

To:

From: UBS

Fax: UBS

at: 20-APR-2012-15: 13 Doc: 548 Page: 046

Your assets

Some prices, income and current values shown may be approximate. As a result, gains and losses may not be accurately reflected. See *Important information about your statement* at the end of this document for more information.

Cash

Cash and money balances

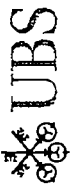
Holding	Opening balance on Dec 1 (\$)	Closing balance on Dec 30 (\$)	Price per share on Dec 30 (\$)	Average rate	Dividend Interest period	Days in period
Cash	-10,000.00	0.00				
RWA MONEY MKT PORTFOLIO	382,144.13	376,008.49	1.00	0.01%	Nov 23 to Dec 22	30
Total	\$372,144.13	\$376,008.49				

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/Average price per share (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
ABBOTT LABS								
Symbol ABT Exchange NYSE								
EAI \$3,840 Current yield 3.41%	Feb 7, 11	2,000,000	45.763	91,527.52	56.230	112,460.00	20,932.48	ST
CENTURYLINK INC								
Symbol CTL Exchange NYSE								
EAI \$5,800 Current yield 7.80%	Jul 14, 11	2,000,000	38.877	77,755.25	37.200	74,400.00	-3,355.25	ST
GENL ELECTRIC CO								
Symbol GE Exchange NYSE								
EAI \$2,720 Current yield 3.80%	Jan 21, 11	4,000,000	19.640	78,561.25	17.910	71,640.00	-6,921.25	ST
JOHNSON & JOHNSON COM								
Symbol JNJ Exchange NYSE								
EAI \$4,560 Current yield 3.48%	Dec 29, 10	2,000,000	62.342	124,685.25	65.580	131,160.00	6,474.75	ST
PROCTER & GAMBLE CO								
Symbol PG Exchange NYSE								
EAI \$4,200 Current yield 3.15%	Aug 5, 11	2,000,000	59.872	119,744.27	66.710	133,420.00	13,675.73	ST
SOUTHERN CO								
Symbol SO Exchange NYSE								
EAI \$5,670 Current yield 4.08%	Jan 21, 11	3,000,000	38.461	115,385.25	46.290	138,870.00	23,484.75	ST

continued next page



Account name: DENMAN FOUNDATION
 Account number: HS 61956 FB

Your assets > Equities > Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/Average price per share (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
Total				\$607,658.79		\$661,950.00	\$54,291.21	

Total estimated annual income: \$26,790

Other equity investments

Cost basis and gains and losses have not been adjusted automatically for return of capital payments. Restricted security values are estimated for informational purposes. See Important information about your statement at the end of this document for additional information.

Holding	Trade date	Number of shares	Purchase price/Average price per share (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
ENTERPRISE PRODUCTS PARTNER LP MLP								
Symbol EPD Exchange NYSE								
EAI \$4,900 Current yield 5.28%	Mar 16, 11	2,000,000	39.819	79,873.46	46.380	92,760.00	12,886.54	ST

Fixed income

Closed end funds & Exchange traded products

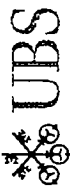
Total reinvested is the total of all reinvested dividends. It does not include any cash dividends. It is not a tax lot for the purposes of determining holding periods or cost basis. The shares you receive each time you reinvest dividends become a separate tax lot.

Cost basis is the total purchase cost of the security, including reinvested dividends. The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes.

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date. The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

Investment return is the current value minus the amount you invested. It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss. It also does not include cash dividends that were not reinvested.

Holding	Number of shares	Purchase price/Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
WESTERN ASSET/CLAYMORE INFLATION LINKED SECS & INCOME FUND									
Symbol WIA Exchange NYSE									
Trade date Jul 11, 06	10,000,000	11.423	114,232.40	114,232.40	12.640	126,400.00	12,167.60		LT
Total reinvested	2,963,000	11.940		35,379.58	12.640	37,452.32	2,072.74		
EAI \$4,978 Current yield 3.04%	12,963,000	11.541	114,232.40	149,611.98	163.852	14,240.34	49,619.92		
Security total									



Business Services Account
December 2011

Account name: DENMAN FOUNDATION
Account number: HS 61956 FB

Your Financial Advisor:
BARNET FISHBEIN
713-654-0200/800-553-3119

To:

From: UBS

Fax: UBS

at: 20-APR-2012-15: 13 Doc: 548 Page: 048

Your assets (continued)

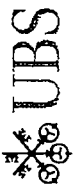
Your total assets

	Value on Dec. 30 (\$)	Percentage of your account	Cost basis (\$)	Estimate annual income (\$)	Unrealized gain or loss (\$)
Cash	376,008.49	29.05%	376,008.49		
Equities					
Common stock	661,950.00		607,658.79	26,790.00	54,291.21
Other equity investments	92,760.00		79,873.46	4,900.00	12,886.54
Total equities	754,710.00	58.29%	687,532.25	31,690.00	67,177.75
Fixed income					
Closed end funds & Exchange traded products	163,852.32	12.66%	149,611.98	4,978.00	14,240.34
Total	\$1,294,570.81	100.00%	\$1,213,152.72	\$36,668.00	\$81,418.09

Account activity this month

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document

Date	Activity	Description	Your expense code	Quantity/ Face value	Price/ Value (\$)	Cash amount (\$)	Cash and money balance (\$)
Nov 30		Cash and money balance					\$372,144.13
Dec 5	Dividend	WESTERN ASSET/CLAYMORE INFLATION LINKED SECS & INCOME FUND AS OF 11/30/11			413.79		
Dec 5	Reinvestment	WESTERN ASSET/CLAYMORE INFLATION LINKED SECS & INCOME FUND AT 12.811900 REINVEST PRICE REINVEST DIV ON 12/05/11 EXECUTION CAPACITY AGENT AS OF 11/30/11		32.000	-409.98		372,147.94
Dec 6	Fee Charge	ANNUAL FEE CHARGE			-150.00		
Dec 6	Dividend	SOUTHERN CO PAID ON	3000		1,417.50		373,415.44
Dec 13	Dividend	JOHNSON & JOHNSON COM PAID ON	2000		1,140.00		374,555.44
Dec 16	Dividend	CENTURYLINK INC PAID ON	2000		1,450.00		376,005.44
Dec 23	Dividend	RMA MONEY MKT PORTFOLIO AS OF 12/22/11			3.05		376,008.49
Dec 30		Closing cash and money balance					\$376,008.49
		Funds used for investment transactions					-\$409.98



Account name: DENMAN FOUNDATION
 Account number: HS 61956 FB

To:

From: UBS

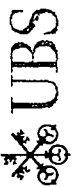
Fax: UBS

at: 20-APR-2012-15: 13 Doc: 548 Page: 049

Account activity this month (continued)

Date	Activity	Description	Amount (\$)
Nov 30	Balance forward		\$382,144.13
Dec 1	Sold	RMA MONEY MKT PORTFOLIO AS OF 11/30/11	-10,000.00
Dec 6	Bought	RMA MONEY MKT PORTFOLIO	3.81
Dec 7	Bought	RMA MONEY MKT PORTFOLIO	1,267.50
Dec 14	Bought	RMA MONEY MKT PORTFOLIO	1,140.00
Dec 19	Bought	RMA MONEY MKT PORTFOLIO	1,450.00
Dec 23	Bought	RMA MONEY MKT PORTFOLIO AS OF 12/22/11	3.05
Dec 30	Closing RMA Money Mkt. Portfolio		\$376,008.49

The RMA Money Market Portfolio is your primary sweep option



UBS Financial Services Inc
1000 Main Street
26th Floor
Houston TX 77002-6336

CPPI002358125 1211 X24 HS 0

Business Services Account

December 2011

To:

From: UBS

Fax: UBS

at: 20-APR-2012-15: 13 Doc: 548 Page: 040

Your Financial Advisor.

BARNET FISHBEIN
Phone 713-654-0200/800-553-3119

Questions about your statement?

Call your Financial Advisor or the ResourceLine at 800-762-1000, account 055019729

Visit our website.

www.ubs.com/financialservices

Account name: DENMAN FOUNDATION

Account number: HS 19729 FB

Your investment objectives:

You have identified the following investment objectives for this account. If you have questions about these objectives, disagree with them, or wish to change them, please contact your Financial Advisor or Branch Manager. You can find a full description of the alternative investment objectives in *Important information about your statement* at the end of this document.

Your return objective:

Capital appreciation

Your risk profile:

Primary - Moderate
Secondary - None selected

Value of your account

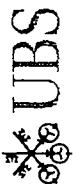
	on November 30 (\$)	on December 30 (\$)
Your assets	1,154,399.24	1,154,258.79
Your liabilities	0.00	0.00
Value of your account	\$1,154,399.24	\$1,154,258.79

Your account instructions

- Statement copies are sent to 1 interested party
 - CHARLES THERIOT CPA
 - ATTN CRAIG BREERWOOD

Change in the value of your account

	December 2011 (\$)	Year to date (\$)
Opening account value	\$1,154,399.24	\$1,154,318.03
Withdrawals and fees, including investments transferred out	-150.00	-150.00
Dividend and interest income	9.55	115.00
Change in market value	0.00	-24.24
Closing account value	\$1,154,258.79	\$1,154,258.79



Account name:
DENMAN FOUNDATION
Account number:
HS 19729 FB

Cash activity summary

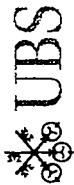
See the section *Account activity this month* for details. UBS Bank USA deposit account balances are included in the opening and closing balances value, are insured by the FDIC within applicable limits, but are not protected by SIPC. See *Important information about your statement* at the end of this document for details about these balances.

	December 2011 (\$)	Year to date (\$)
Opening balances	\$1,154,399.24	\$1,154,237.67
<i>Additions</i>		
Dividend and interest income	9.55	115.00
Proceeds from investment transactions	0.00	56.12
Total additions	\$9.55	\$171.12
<i>Subtractions</i>		
Annual fee	-150.00	-150.00
Total subtractions	-\$150.00	-\$150.00
Net cash flow	-\$140.45	\$21.12
Closing balances	\$1,154,258.79	\$1,154,258.79

Dividend and interest income earned

For purposes of this statement, taxability of interest and dividend income has been determined from a US tax reporting perspective. Based upon the residence of the account holder, account type, or product type, some interest and/or dividend payments may not be subject to United States (US) and/or Puerto Rico (PR) income taxes. The client monthly statement is not intended to be used and cannot be relied upon for tax purposes. Clients should refer to the applicable tax reporting forms they receive from UBS annually, such as the Forms 1099 and the Forms 480, for tax reporting information. It is the practice of UBS to file the applicable tax reporting forms with the US Internal Revenue Service and PR Treasury Department, and in such forms accurately classify dividends and/or interest as tax exempt or taxable income. Please consult your individual tax preparer.

	December 2011 (\$)	Year to date (\$)
Taxable dividends	9.55	113.40
Total current year	\$9.55	\$113.40
Prior year adjustment	0.00	1.60
Total dividend & interest	\$9.55	\$115.00



Business Services Account
December 2011

Account name: DENMAN FOUNDATION
Account number: HS 19729 FB

Your Financial Advisor:
BARNET FISHBEIN
713-654-0200/800-553-3119

To:

From: UBS

Fax: UBS

at: 20-APR-2012-15: 13 Doc: 548 Page: 042

Your assets

Some prices, income and current values shown may be approximate. As a result, gains and losses may not be accurately reflected. See *Important information about your statement* at the end of this document for more information.

Cash

Cash and money balances

Holding	Opening balance on Dec 1 (\$)	Closing balance on Dec 30 (\$)	Price per share on Dec 30 (\$)	Average rate	Dividend/Interest period	Days in period
RMA MONEY MKT PORTFOLIO	1,154,399.24	1,154,258.79	1.00	0.01%	Nov 23 to Dec 22	30

Your total assets

Cash	Value on Dec 30 (\$)	Percentage of your account	Cost basis (\$)	Estimate annual income (\$)	Unrealized gain or loss (\$)
Cash and money balances	1,154,258.79	100.00%	1,154,258.79		
Total	\$1,154,258.79	100.00%	\$1,154,258.79		

Account activity this month

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document.

Date	Activity	Description	Your expense code	Quantity Face value	Price/Value (\$)	Cash amount (\$)	Cash and money balance (\$)
Nov 30		Cash and money balance					\$1,154,399.24
Dec 6	Fee Charge	ANNUAL FEE CHARGE				-150.00	1,154,249.24
Dec 23	Dividend	RMA MONEY MKT PORTFOLIO AS OF 12/21/11				9.55	1,154,258.79
Dec 30		Closing cash and money balance					\$1,154,258.79

Money balance activities

Date	Activity	Description	Amount (\$)
Nov 30	Balance forward		\$1,154,399.24
Dec 7	Sold	RMA MONEY MKT PORTFOLIO	-150.00
Dec 23	Bought	RMA MONEY MKT PORTFOLIO AS OF 12/21/11	9.55
Dec 30	Closing RMA Money Mkt. Portfolio		\$1,154,258.79

The RMA Money Market Portfolio is your primary sweep option.

Application for Extension of Time To File an Exempt Organization Return

▶ **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 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 <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	THE NEW YORK STOCK EXCHANGE FALLEN HEROES FUND	<input type="checkbox"/> 13-4048148
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	11 WALL STREET, ATTN: TAX DEPARTMENT	<input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	NEW YORK, NY 10005	

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

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

- The books are in the care of ▶ GRACE CALVENTAS-GENUINO

Telephone No ▶ 212-656-4061 FAX No ▶ 212-656-2405

- 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 _____, 20____, and ending _____, 20____

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 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 \$	1,998.00
c Balance due. 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 \$	NONE

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

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box **X**
- Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

<p>Type or print</p> <p>File by the due date for filing your return. See instructions</p>	Name of exempt organization or other filer, see instructions.		Enter filer's identifying number, see instructions	
	THE NEW YORK STOCK EXCHANGE FALLEN HEROES FND		<input checked="" type="checkbox"/>	Employer identification number (EIN) or 13-4048148
	Number, street, and room or suite no. If a P.O. box, see instructions.		<input type="checkbox"/>	Social security number (SSN)
	11 WALL STREET, ATTN: TAX DEPT			
City, town or post office, state, and ZIP code. For a foreign address, see instructions.				
NEW YORK, NY 10005				

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-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


STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **GRACE CALVENTAS-GENUINO**
Telephone No **212 656-4061** FAX No. **212 656-2405**
- 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.
- 4 I request an additional 3-month extension of time until 11/15, 2012.
- 5 For calendar year 2011, or other tax year beginning _____, 20____, and ending _____, 20____.
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 7 State in detail why you need the extension **ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION IN ORDER TO FILE A COMPLETE AND ACCURATE TAX RETURN.**

8a 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.	8a \$	0
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 and any amount paid previously with Form 8868.	8b \$	1,998.
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	8c \$	

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title **CPA** Date **7/24/2012**

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions DENMAN FOUNDATION	Employer identification number (EIN) or <input checked="" type="checkbox"/> 31-1573295
	Number, street, and room or suite no. If a P.O. box, see instructions. 19552 SANDCASTLE DR.	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SPICEWOOD, TX 78669	

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

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-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

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **RONALD O. PALMER**
Telephone No. **(713) 724-7790** 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

- 4 I request an additional 3-month extension of time until **NOVEMBER 15**, 20 **12** .
- 5 For calendar year **2011** or other tax year beginning _____, 20____, and ending _____, 20____ .
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period
- 7 State in detail why you need the extension **ADDITIONAL TIME IS REQUIRED TO FILE A COMPLETE AND ACCURATE RETURN.**

8a 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.	8a	\$	
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 and any amount paid previously with Form 8868.	8b	\$	
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.00

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Title Date

Application for Extension of Time To File an Exempt Organization Return

(Rev. January 2012)

OMB No 1545-1709

Department of the Treasury
Internal Revenue Service

▶ **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 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.

Enter filer's identifying number, see instructions

Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions. DENMAN FOUNDATION	Employer identification number (EIN) or <input checked="" type="checkbox"/> 31-1573295
	Number, street, and room or suite no. If a P.O. box, see instructions. 19552 SANDCASTLE DR.	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SPICEWOOD, TX 78669	

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

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

• The books are in the care of ▶ **RONALD O. PALMER**

Telephone No. ▶ **(713) 724-7790**

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**, 20 **12**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year 20 **12** or

▶ tax year beginning _____, 20 _____, and ending _____, 20 _____.

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	\$	1,725
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	\$	1,725
c Balance due. 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	\$	0.00

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.

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