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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

For calendar year 2011, or tax year beginning 03-01-2011 , and ending 02-29-2012

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

Name of foundation
MERRILL I & GRACE HANKS CHARITABLE TR

A Employer identification number
61-6394207

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
REGIONS BANK TRUSTEE PO BOX 1628

B Telephone number (see page 10 of the instructions)
(251) 690-1411

City or town, state, and ZIP code
MOBILE, AL 366331628

C If exemption application is pending, check here ☐
D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 3,829,117

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) _
(Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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 page 11 of the 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)	125,000			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	82,219	81,788		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-34,610			
	b	Gross sales price for all assets on line 6a 1,316,686				
	7	Capital gain net income (from Part IV, line 2)		0		
	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) (attach schedule)				
	11	Other income (attach schedule)	1,193	1,193		
	12	**Total.** Add lines 1 through 11	173,802	82,981		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	36,993	9,248		27,745
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	13,275	0		13,275
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	5,705	3,465		0
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	7,950	7,100		850
	24	**Total operating and administrative expenses.** Add lines 13 through 23	63,923	19,813		41,870
	25	Contributions, gifts, grants paid	134,085			134,085
	26	**Total expenses and disbursements.** Add lines 24 and 25	198,008	19,813		175,955
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-24,206			
	b	**Net investment income** (if negative, enter -0-)		63,168		
	c	**Adjusted net income** (if negative, enter -0-)				

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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
1	Cash—non-interest-bearing	248,531	284,364	284,364
2	Savings and temporary cash investments			
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 page 15 of the 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			
10a	Investments—U S and state government obligations (attach schedule)	194,544	35,234	38,818
b	Investments—corporate stock (attach schedule)	2,280,938	2,412,810	2,784,538
c	Investments—corporate bonds (attach schedule)	339,930	386,357	411,633
11	Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶	158,000		
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	221,483	298,144	309,764
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)	3,443,426	3,416,909	3,829,117
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	
	Foundations that follow SFAS 117, check here ▶ ☐ 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 ▶ ☑ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds	3,443,426	3,416,909	
28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
29	Retained earnings, accumulated income, endowment, or other funds	0	0	
30	**Total net assets or fund balances** (see page 17 of the instructions)	3,443,426	3,416,909	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	3,443,426	3,416,909	

(Side labels: Assets — lines 1–16; Liabilities — lines 17–23; Net Assets or Fund Balances — lines 24–31)

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	3,443,426
2	Enter amount from Part I, line 27a	2	-24,206
3	Other increases not included in line 2 (itemize) ▶	3	37
4	Add lines 1, 2, and 3	4	3,419,257
5	Decreases not included in line 2 (itemize) ▶	5	2,348
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,416,909

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)
1 a	PUBLICLY TRADED SECURITIES	P		
b	SALE OF ATMORE PROPERTY	D	2010-03-31	2012-01-31
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	1,201,686		1,180,918	20,768
b	115,000		170,378	-55,378
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				20,768
b				-55,378
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	-34,610
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 pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	3	

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 page 18 of 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	22,273	3,302,804	0 006744
2009			
2008			
2007			
2006			

2	**Total** of line 1, column (d).	2	0 006744
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 006744
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	3,780,325
5	Multiply line 4 by line 3.	5	25,495
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	632
7	Add lines 5 and 6.	7	26,127
8	Enter qualifying distributions from Part XII, line 4.	8	175,955

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 on page 18

Part VI **Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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 ▶ ☑ and enter 1% of Part I, line 27b	1	632
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	632
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	632
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011 **6a**		
b	Exempt foreign organizations—tax withheld at source **6b**		
c	Tax paid with application for extension of time to file (Form 8868) **6c**		
d	Backup withholding erroneously withheld **6d**		
7	Total credits and payments Add lines 6a through 6d	7	0
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	632
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ **Refunded** ▶	11	

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?	1a		No
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)?	1b		No
	*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.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
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? *If "Yes," attach a detailed description of the activities.*	2		No
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*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
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?	6		No
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ AL			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
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 on page 27)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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 page 20 of the instructions).	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶REGIONS BANK TRUST DEPT Telephone no ▶(251) 690-1411

Located at ▶PO BOX 1628 MOBILE AL ZIP+4 ▶366331628

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

			Yes	No
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		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 ▶

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? ☐ **Yes** ☑ **No**			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ **Yes** ☑ **No**			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ **Yes** ☑ **No**			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ **Yes** ☐ **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)? ☐ **Yes** ☑ **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). ☐ **Yes** ☑ **No**			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		No
	Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐			
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		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ **Yes** ☑ **No**			
	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 page 20 of the instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 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? ☐ **Yes** ☑ **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		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

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 page 22 of the 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 page 22 of the instructions)? **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? ☐ 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** No

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 page 22 of the 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
REGIONS BANK PO BOX 1628 MOBILE, AL 366331628	TRUSTEE 2 00	36,993	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the 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 ▶ 0

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		

Total number of others receiving over $50,000 for professional services. . . . . ▶	0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3. . . . . ▶	0

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	3,388,061
b	Average of monthly cash balances	1b	304,772
c	Fair market value of all other assets (see page 24 of the instructions)	1c	145,060
d	**Total** (add lines 1a, b, and c)	1d	3,837,893
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	3,837,893
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	57,568
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,780,325
6	**Minimum investment return.** Enter 5% of line 5	6	189,016

Part XI **Distributable Amount** (see page 25 of the 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	189,016
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a: 632		
b	Income tax for 2011 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	632
3	Distributable amount before adjustments Subtract line 2c from line 1	3	188,384
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	188,384
6	Deduction from distributable amount (see page 25 of the instructions)	6	0
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	188,384

Part XII **Qualifying Distributions** (see page 25 of the 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	175,955
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	175,955
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 page 26 of the instructions)	5	632
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	175,323

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				188,384
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only.			134,085	
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 ▶ $ 175,955				
a Applied to 2010, but not more than line 2a			134,085	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .	0			
d Applied to 2011 distributable amount.				41,870
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 page 27 of the instructions . . .		0		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				146,514
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the 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. . . .				
b Excess from 2008. . . .				
c Excess from 2009. . . .				
d Excess from 2010. . . .				
e Excess from 2011. . . .				

Part XIV Private Operating Foundations (see page 27 of the 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 organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(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					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 27 of the 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))

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

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

See Additional Data Table

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

See Additional Data Table

c Any submission deadlines

See Additional Data Table

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

See Additional Data Table

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*				
ALABAMA BAPTIST CHILDREN'S HOME PO BOX 361767 BIRMINGHAM, AL 35236	NONE	501(C)(3)	TO PROVIDE HOUSING FOR UNDERPRIVILIGED CHILDREN IN A CHRISTIAN SETTING	134,085
Total . . . . ▶ **3a**				134,085
b *Approved for future payment*				
Total . . . . ▶ **3b**				0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities. . . .			14	82,219	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					1,193
8 Gain or (loss) from sales of assets other than inventory			18	-34,610	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .		0		47,609	1,193

13 Total. Add line 12, columns (b), (d), and (e). **13** 48,802

(See worksheet in line 13 instructions on page 28 to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)
7	REFUND OF LIABILITY INSURANCE PAID FOR 2012

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		No
	(2) Other assets	1a(2)		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
	(3) Rental of facilities, equipment, or other assets	1b(3)		No
	(4) Reimbursement arrangements	1b(4)		No
	(5) Loans or loan guarantees	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

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

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

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

****** | 2012-07-13 | ******

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's Signature: J WILBERT JORDAN JR	Date: 2012-07-13	Check if self-employed ☐	PTIN: P00275848
Firm's name: SMITH DUKES & BUCKALEW LLP		Firm's EIN: 63-0191630	
Firm's address: 3800 AIRPORT BLVD MOBILE, AL 366081667		Phone no (251) 343-1200	

May the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☐ No

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491195001002

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, 990-EZ, or 990-PF.**

OMB No 1545-0047

2011

Name of organization
MERRILL I & GRACE HANKS CHARITABLE TR

Employer identification number
61-6394207

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☑ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule—

☑ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year . . . . ▶ $ ____________

Caution. An Organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box in the heading of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization
MERRILL I & GRACE HANKS CHARITABLE TR

Employer identification number
61-6394207

Part I **Contributors** (see Instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	MERRILL I HANKS ESTATE REGIONS BANK TRUSTEE PO BOX 1628 MOBILE, AL 36633	$ 125,000	Person ☑ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization
MERRILL I & GRACE HANKS CHARITABLE TR

Employer identification number
61-6394207

Part II **Noncash Property** (see Instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization
MERRILL I & GRACE HANKS CHARITABLE TR

Employer identification number
61-6394207

Part III *Exclusively* **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** (Complete columns **(a)** through **(e) and** the following line entry)
For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year (Enter this information once See instructions) ▶ $
Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

Additional Data

Software ID:
Software Version:
EIN: 61-6394207
Name: MERRILL I & GRACE HANKS CHARITABLE TR

Form 990PF - Special Condition Description:

Special Condition Description

Form 990PF Part XV Line 2a - 2d - Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

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

OFFICE OF FINANCIAL AID UNIVERSITY
5735 COLLEGE PKWY
MOBILE, AL 36613
(251) 442-2222

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

APPLICATION AVAILABLE FROM UNIVERSITY FINANCIAL AID OFFICES ABOVE

c Any submission deadlines

DECEMBER 15 PRIOR TO START OF ACADEMIC YEAR

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

RESTRICTED TO ENTERING FULL-TIME FRESHMEN, SOPHOMORES, JUNIORS OR SENIORS WITH RELIGION MAJOR OR MINOR INTENDING TO ENTER A CAREER AS A PASTOR, PRIORITY GIVEN TO STUDENTS FROM ESCAMBIA AND MONROE COUNTIES IN ALABAMA

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

OFFICE OF FINANCIAL AID SAMFORD UNI
800 LAKESHORE DRIVE
BIRMINGHAM, AL 35229
(205) 726-2905

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

APPLICATION AVAILABLE FROM UNIVERSITY FINANCIAL AID OFFICES ABOVE

c Any submission deadlines

DECEMBER 15 PRIOR TO START OF ACADEMIC YEAR

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

RESTRICTED TO ENTERING FULL-TIME FRESHMEN, SOPHOMORES, JUNIORS OR SENIORS WITH RELIGION MAJOR OR MINOR INTENDING TO ENTER A CAREER AS A PASTOR, PRIORITY GIVEN TO STUDENTS FROM ESCAMBIA AND MONROE COUNTIES IN ALABAMA

TY 2011 Accounting Fees Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	13,275	0		13,275

TY 2011 Investments Corporate Bonds Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Name of Bond	End of Year Book Value	End of Year Fair Market Value
7000 COMCAST CORP	7,381	8,332
8000 DIRECTV HOLDINGS	8,255	8,491
7000 TARGET CORP	6,932	8,304
8000 ANHEUSER-BUSCH	8,036	8,504
7000 CVS/CAREMARK	7,115	8,744
7000 KRAFT FOODS INC	7,009	7,646
6000 HESS CORP	7,035	7,811
15000 PETROBRAS INTL	15,436	16,500
7000 TALISMAN ENERGY INC	8,168	8,772
8000 BARCLAYS BANK	7,862	8,292
7000 CITIGROUP INC	7,431	7,428
23000 CITIGROUP INC	23,459	23,362
14000 CREDIT SUISSE	14,746	14,985
7000 GE CAPITAL CORP	7,053	7,713
7000 GOLDMAN SACHS GROUP	7,722	8,084
7000 GOLDMAN SACHS GROUP	7,127	7,523
7000 JP MORGAN CHASE	6,946	8,229
7000 MERRILL LYNCH CO	6,975	7,618
8000 MERRILL LYNCH CO	7,243	7,634
8000 MORGAN STANLEY CO	8,026	7,999
16000 PROVINCE OF ONTARIO	16,003	16,254
8000 PRUDENTIAL FINL	7,947	8,516
7000 WACHOVIA CORP	6,780	8,135
6000 PFIZER INC	6,698	7,574
7000 CSX CORP	7,744	8,081
6000 CATERPILLAR INC	6,547	8,176
8000 GE CO	8,263	8,944
8000 CA INC	8,177	8,822
8000 HP CO	7,993	8,124
7000 ORACLE CORP	7,195	8,582
7000 TIME WARNER CABLE	7,601	8,603
7000 AT&T INC	7,030	8,360
6000 VERIZON COMMUNICATIONS	5,970	7,472
6000 AFLAC INC	7,372	7,810
8000 AMERICAN EXPRESS	8,160	8,323
8000 MORGAN STANLEY CO	8,318	8,030
8000 SUNTRUST BKS INC	8,005	8,189
8000 TOYOTA MOTOR CREDIT CORP	7,980	8,239
8000 TEVA PHARMA FIN	8,005	8,165
8000 INTEL CORP	7,971	8,488
15000 INTERNATIONAL BUSINESS MACHINES	15,535	15,508
15000 BHP BILLITON FIN USA	14,986	15,048
8000 TELEFONICA EMISIONES SAU	8,113	8,048
8000 DUKE ENERGY CORPORATION	8,007	8,171

TY 2011 Investments Corporate Stock Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Name of Stock	End of Year Book Value	End of Year Fair Market Value
260 SHS BAMXY (BMW)	6,474	8,080
430 SHS CHICOS FAS INC	4,579	6,454
337 SHS COPART INC	12,559	16,776
256 SHS EXPONET INC	6,951	12,344
230 SHS GAP INC	4,593	5,373
110 SHS HARMAN INTL INDS INC	4,598	5,404
160 SHS GUESS INC	6,683	5,544
1120 SHS MATTEL INC	24,687	36,333
1070 SHS MCGRAW HILL INC	36,182	49,798
476 SHS POOL CORP	9,668	17,326
70 SHS ROSS STORES INC	3,289	7,466
1330 SHS STAPLES INC	31,593	19,498
164 SHS TEMPUR-PEDIC INTL	4,671	12,956
210 SHS URBAN OUTFITTERS INC	6,805	5,962
188 SHS STEINER LEISURE LTD	7,992	9,408
151 SHS BRITISH AMERICAN TOB PLC	10,870	15,293
840 SHS CVS/CAREMARK CORP	33,630	37,884
80 SHS CLOROX CO	5,071	5,409
460 SHS PEPSICO INC	30,984	28,952
707 SHS PHILIP MORRIS INTL INC	30,396	59,049
470 SHS PROCTER & GAMBLE CO	30,638	31,781
840 SHS WALGREEN CO	29,318	27,854
70 SHS BUNGE LTD	4,290	4,712
320 SHS APACHE CORP	33,700	34,538
50 SHS CAMERON INTL CORP	2,071	2,786
27 SHS CARBO CERAMICS INC	1,703	2,475
380 SHS CHEVRON CORP	33,019	41,466
121 SHS CHINA PETROLEUM	10,640	13,708
470 SHS EXXON MOBIL CORP	36,986	40,655
716 SHS OAO GAZPROM ADR	8,995	9,513

Name of Stock	End of Year Book Value	End of Year Fair Market Value
1050 SHS HALLIBURTON CO	36,211	38,420
176 SHS NEXEN INC	4,023	3,587
60 SHS NOBLE ENERGY INC	4,358	5,859
137 SHS LUKOIL ADR	7,961	8,793
450 SHS SCHLUMBERGER LTD	37,298	34,925
422 SHS STATOIL ASA	10,784	12,019
710 SHS AMERICAN EXPRESS CO	21,722	37,552
80 SHS AMERIPRISE FINL INC	3,235	4,461
384 SHS AUSTRALIA & NEW ZEALAND BKG	7,739	9,107
225 SHS BANK OF MONTREAL	12,419	13,187
978 SHS BANK OF CHINA LTD	11,535	10,655
190 SHS BLACKROCK INC	38,965	37,810
429 SHS BROWN & BROWN INC	7,070	10,137
220 SHS CBR ELLIS GROUP	3,170	4,033
789 SHS CHEUNG KONG HDGS LTD	9,951	11,537
468 SHS COHEN & STEERS INC	10,130	15,416
477 SHS FEDERATED INVS INC	11,986	9,774
210 SHS GOLDMAN SACHS GROUP INC	31,988	24,179
740 SHS JP MORGAN CHASE CO	28,342	29,038
370 SHS JANUS CAPITAL GROUPS	4,798	3,263
406 SHS MUENCHENER RUECK ADR	5,967	5,944
110 SHS NASDAQ OMX GROUP INC	2,056	2,897
486 SHS PRUDENTIAL FINL INC	20,094	29,724
610 SHS TRAVELERS CO	29,166	35,362
267 SHS UN OVERSEAS BK LTD	7,362	7,730
350 SHS VISA INC	30,481	40,730
103 SHS ACE LTD	6,177	7,386
319 SHS ABAXIS INC	8,058	8,473
530 SHS ALLERGAN INC	28,610	47,483
164 SHS ASTRAZENECA PLC	7,874	7,362

Name of Stock	End of Year Book Value	End of Year Fair Market Value
130 SHS CELGENE CORP	7,673	9,532
80 SHS EXPRESS SCRIPTS INC	3,595	4,266
185 SHS HAEMONETICS CORP	10,261	12,401
470 SHS JOHNSON & JOHNSON	31,031	30,588
760 SHS MERCK & CO	26,165	29,009
194 SHS NOVARIS AG	10,471	10,575
520 SHS STRYKER CORP	29,624	27,893
188 SHS TECHNE CORP	11,947	13,459
520 SHS TEVA PHARMACEUTICAL INDS	23,071	23,301
569 SHS THERMO FISHER SCIENTIFIC INC	27,785	32,217
44 SHS ADVISORY BOARD CO	1,435	3,561
134 SHS CANADIAN NAT RAILWAY	8,663	10,317
450 SHS CATERPILLAR INC	23,409	51,395
90 SHS ENERGIZER HOLDINGS INC	5,128	6,881
40 SHS FLOWSERVE CORP	4,172	4,743
1670 SHS GE CO	31,037	31,814
100 SHS JACOBE ENGR GROUP	3,937	4,622
218 SHS LINCOLN ELEC HLDGS INC	5,544	10,069
510 SHS NORFOLF SOUTHERN CORP	26,545	35,139
70 SHS ROCKWELL COLLINS INC	3,853	4,150
234 SHS ROLLINS INC	3,240	4,741
993 SHS SUMITOMO CORP	11,833	14,784
350 SHS 3M CO	26,693	30,660
204 SHS UNITED CONTINENTAL HLDGS	4,719	4,213
420 SHS UNITED TECHNOLOGIES CORP	29,304	35,225
110 SHS AGILENT TECHNOLOGIES INC	4,116	4,798
130 SHS ALTERA CORP	3,340	5,001
233 SHS ANSYS INC	10,122	14,721
187 SHS BLACKBAUD INC	4,299	5,900
1180 SHS CISCO SYSTEMS INC	30,497	23,458

Name of Stock	End of Year Book Value	End of Year Fair Market Value
222 SHS CPSI INC	9,410	13,506
1580 SHS EMC CORP	26,127	43,750
81 SHS FACTSET RESH SYS INC	5,292	7,079
60 SHS GOOGLE INC	37,524	37,095
437 SHS JACK HENRY & ASSOC INC	10,023	14,744
260 SHS HITTITE MICROWAVE CORP	13,932	14,867
70 SHS ITT EDL SVCS INC	4,475	4,805
1360 SHS INTEL CORP	28,640	36,557
230 SHS JABIL CIRCUIT INC	4,057	5,941
1070 SHS JUNIPER NETWORKS INC	27,813	24,353
90 SHS NETAPP INC	4,725	3,870
200 SHS NVIDIA CORP	2,802	3,030
1230 SHS ORACLE CORP	27,048	35,984
810 QUALCOMM INC	34,367	50,366
290 SHS ROGERS COMMUN INC	9,949	11,107
203 SHS SAP AG	9,418	13,725
330 SHS TERADYNE INC	3,175	5,419
150 SHS WESTERN DIGITAL CORP	5,574	5,888
150 SHS XILINX INC	3,819	5,540
166 SHS APTARGROUP INC	7,139	8,761
150 SHS ARCH COAL INC	3,398	2,036
183 SHS BASF SE ADR	11,843	16,132
209 SHS BHP BILLITON PLC	12,821	13,545
100 SHS BARRICK GOLD CORP	3,855	4,773
110 SHS CARPENTER TECH CORP	4,585	5,643
548 SHS MONSANTO CO	36,876	42,404
60 SHS MOSAIC CO	3,645	3,465
120 SHS NEWMONT MINING CORP	6,268	7,131
80 SHS PEABODY ENERGY CORP	3,744	2,790
154 SHS RBC BEARINGS INC	4,012	7,009

Name of Stock	End of Year Book Value	End of Year Fair Market Value
303 SHS VALE SA	8,170	7,617
319 SHS NIPPON TELEG & TEL CORP	7,100	7,516
341 SHS SINGAPORE TELECOMM LTD	7,592	8,669
1060 SHS VERIZON COMMUNICATIONS	35,333	40,397
130 SHS CIA SANEAMENTO BASICO	5,888	9,766
480 SHS NEXTERA ENERGY INC	26,247	28,565
120 SHS SOUTHWEST ENERGY CO	5,102	3,967
161 SHS ADIDAS AG	5,899	6,351
90 SHS BRINKER INTL INC	2,355	2,483
326 SHS GENTING BERHAD	5,742	5,768
370 SHS HASBRO INC	13,907	13,068
1090 SHS JOHNSON CTLS INC	35,387	35,567
49 SHS TORO CO	3,053	3,319
254 SHS VOLKSWAGEN AG SPONSORED ADR EACH ADR REPRS TWO ORDINARY SHS	7,996	8,644
197 SHS AMBEV-COMPANHIA DE BEBIDAS DAS AMERICAS PFD ADR	6,854	7,882
856 SHS COMPASS GROUP PLC SPON ADR NEW	8,186	8,615
273 SHS BP PLC SPONSORED ADR ONE ADR REPRS 6 ORDINARY SHS	11,426	12,875
166 SHS ECOPETROL SA - SPONSORED ADR	7,031	9,660
310 SHS OCCIDENTAL PETE CORP	28,743	32,355
50 SHS PIONEER NATURAL RESOURCES	4,894	5,482
158 SHS SEADRILL LTD	4,642	6,647
306 SHS BANCO BRADESCO BANCO BRADESCO S.A.	4,558	5,551
70 SHS DIGITAL REALTY TRUST INC	4,327	5,075
260 SHS HSBC HOLDINGS PLC SPONS ADR NEW ONE ADR REPRS 5 ORD SHS	10,271	11,549
190 SHS HARTFORD FINL SVCS GROUP INC	5,014	3,935
800 SHS METLIFE INC	29,100	30,840
319 SHS NATIONAL AUSTRALIA BK LTD SPONSORED ADR ONE ADR RPRS 5 ORD SHS	7,905	8,158
264 SHS PRUDENTIAL PLC ADR	5,381	6,009
144 SHS RLI CORP	8,499	10,089
382 SHS SAMPO OYJ - A SHS-UNSP ADR	5,697	5,404

Name of Stock	End of Year Book Value	End of Year Fair Market Value
754 SHS SWEDEBANK AB	11,397	12,980
5 SHS INTUITIVE SURGICAL	1,868	2,558
350 SHS LABORATORY CORP AMER HLDGS COM NEW	26,947	31,462
318 SHS MERCK KGAA UNSPONSORED ADR	9,826	11,005
433 SHS OWENS & MINOR INC	13,718	12,973
393 SHS ABB LTD SPON ADR	8,444	8,053
60 SHS ALASKA AIR GROUP	3,927	4,114
50 SHS ALLIANCE DATA SYSTEMS CORP	5,670	6,068
100 SHS BE AEROSPACE INC	4,640	4,584
490 SHS EMERSON ELECTRIC CO	29,434	24,652
322 SHS KOMATSU LTD SPON ADR NEW ONE	9,823	9,635
311 SHS LVMH MOET HENNESSY LOUIS VUITTON-ADR	10,261	10,509
186 SHS LANDSTAR SYS INC COM	8,709	10,055
154 SHS MAKITA CORP	6,716	6,422
125 SHS MITSUBISHI CORPORATION-SPONS ADR	5,583	6,150
17 SHS MITSUI & CO LTD SPONS ADR	5,781	5,877
300 SHS WEICHAI POWER CO. LTD-UNSP ADR	5,478	6,622
131 SHS CNH GLOBAL NV	5,708	5,621
980 SHS BROADCOM CORP CL A	34,421	36,407
111 SHS CABOT MICROELECTRONICS CORP	5,346	5,578
359 SHS LENOVO GROUP LTD ADR	5,172	6,360
99 SHS OPEN TEXT CORP	5,638	6,051
392 SHS TAIWAN SEMICONDUCTOR MFG LTD SPONSORED ADR	5,534	5,692
840 SHS TEXAS INSTRS INC	29,295	28,014
159 SHS CHECK POINT SOFTWARE TECH LT ORD	8,752	9,247
146 SHS EXXARO RESOURCES LTD-SP ADR	4,033	4,135
52 SHS JIANGXI COPPER COMPANY LTD SPONSR ADR	6,582	5,726
80 SHS MOLYCORP, INC	2,506	1,976
260 SHS PRAXAIR INC	25,668	28,340
100 SHS RIO TINTO PLC SPONSORED ADR ONE ADR REPRS 4 ORD SHS	5,195	5,693

Name of Stock	End of Year Book Value	End of Year Fair Market Value
235 SHS JARDINE STRATEGIC UNSPON AD	13,656	14,363
131 SHS BCE INC	4,900	5,361
129 SHS CHUNGHWA	4,364	3,923
666 SHS TELSTRA CORPORATION LIMITED	10,507	11,873
261 SHS VODAFONE GROUP PLC SP ADR	7,102	7,070
137 SHS NATIONAL GRID GROUP PLC SPON ADR	6,760	7,013
635 SHS POWER ASSETS HOLDINGS LIMITED SPON ADR	4,797	4,757
80 SHS PROGRESS ENERGY INC	4,392	4,246
80 SHS SEMPRA EMERGY	4,422	4,735
130 SHS WISCONSIN ENERGY CORP	4,509	4,427

TY 2011 Investments - Other Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
6443 FNMA POOL 5.5% 04/01/33	AT COST	4,890	5,072
2931 FNMA POOL 5% 12/01/17	AT COST	2,169	2,205
7401 FNMA POOL 5.5% 12/01/35	AT COST	5,955	6,053
2355 FNMA POOL 5.5% 02/01/21	AT COST	1,679	1,688
11584 FNMA POOL 5% 07/01/23	AT COST	6,660	7,256
2845 FNMA POOL 5.5% 12/01/17	AT COST	2,114	2,146
8321 FNMA POOL 5.5% 09/01/34	AT COST	6,602	6,940
14555 FNMA POOL 5.5% 11/01/34	AT COST	11,739	11,982
4952 FNMA POOL 5% 12/01/20	AT COST	3,806	3,979
5671 FNMA POOL 5.5% 12/01/18	AT COST	4,189	4,220
16231 FNMA POOL 6% 09/01/35	AT COST	14,284	15,256
7417 FNMA POOL 5.5% 03/01/22	AT COST	5,156	5,520
13021 FNMA POOL 6% 07/01/37	AT COST	11,186	11,675
31136 FNMA POOL 6% 08/01/37	AT COST	22,252	24,244
2781 FNMA POOL 5% 05/01/23	AT COST	2,142	2,164
12305 FNMA POOL 5.5% 06/01/38	AT COST	6,995	7,741
15000 FNMA 5% 03/15/16	AT COST	14,678	16,288
22000 FHLMC POOL 5% 2/9/15	AT COST	23,469	23,614
12486 FNMA POOL 4% 3/1/26	AT COST	13,118	13,256
7410 FNMA POOL 4.5% 6/1/41	AT COST	7,882	7,957
12589 FNMA POOL 5% 6/1/35	AT COST	13,579	13,611
7446 FNMA POOL 4% 6/1/39	AT COST	7,875	7,844
12049 FNMA POOL 3.5% 9/1/25	AT COST	12,501	12,650
22000 US TREASURY 2.625% 11/15/20	AT COST	21,339	23,573
48000 US TREASURY 1% 1/15/14	AT COST	48,711	48,623
22030 US INFLATION BOND .6255 7/15/21	AT COST	23,174	24,207

TY 2011 Other Decreases Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Description	Amount
BOOK/TAX TIMING DIFFERENCE	2,348

TY 2011 Other Expenses Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
UTILITIES	3,440	3,440		0
BANK SERVICE FEE	12	12		0
PROPERTY MAINTENANCE/LANDSCAPING	2,955	2,955		0
INVESTMENT FEES	368	368		0
APPLICATION FEE	850	0		850
APPRAISAL	325	325		0

TY 2011 Other Income Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
REFUND OF LIABILITY INSURANCE	1,193	1,193	1,193

TY 2011 Other Increases Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Description	Amount
BASIS ADJUSTMENTS	37

TY 2011 Taxes Schedule

Name: MERRILL I & GRACE HANKS CHARITABLE TR

EIN: 61-6394207

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
AD VALOREM TAX	1,558	1,558		0
FOREIGN TAX W/H	1,907	1,907		0
2010 FEDERAL EXCISE TAX	1,663	0		0
2011 FEDERAL EXCISE TAX ESTIMATE	577	0		0