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Form 990-PF

Department of the Treasury
Internal Revenue ServiceReturn of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2011

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

04/30/2012

For calendar year 2011 or tax year beginning

05/01, 2011, and ending

04/30/2012

Name of foundation

WATERS CHAS W C&A WATERS MEM FD

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

1525 W W.T. HARRIS BLVD. D1114-044

Room/suite

A Employer identification number

23-6609808

B Telephone number (see instructions)

(215) 670-4226

City or town, state, and ZIP code

CHARLOTTE, NC 28288

G Check all that apply:

Initial return	Initial return of a former public charity
Final return	Amended return
Address change	Name change

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 1,905,105.

J Accounting method: Cash Accrual
 Other (specify) _____

(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total 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)
1 Contributions, gifts, grants, etc., received (attach schedule)					
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		7.	7.		STMT 1
4 Dividends and interest from securities		55,892.	55,892.		STMT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		36,970.			
b Gross sales price for all assets on line 6a	442,461.				
7 Capital gain net income (from Part IV, line 2)			36,970.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances		SEP 18 2012			
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	92,869.	92,869.			
13 Compensation of officers, directors, trustees, etc	22,946.	17,210.		5,737.	
14 Other employee salaries and wages		NONE		NONE	
15 Pension plans, employee benefits		NONE		NONE	
16a Legal fees (attach schedule)					
b Accounting fees (attach schedule)	STMT 3.	583.	NONE	NONE	583.
c Other professional fees (attach schedule)					
17 Interest					
18 Taxes (attach schedule) (see instructions)	STMT 4.	2,743.	828.		
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		NONE		NONE	
22 Printing and publications		NONE		NONE	
23 Other expenses (attach schedule)					
24 Total operating and administrative expenses.					
Add lines 13 through 23	26,272.	18,038.	NONE	6,320.	
25 Contributions, gifts, grants paid	65,134.			65,134.	
26 Total expenses and disbursements Add lines 24 and 25	91,406.	18,038.	NONE	71,454.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	1,463.				
b Net investment income (if negative, enter -0-)		74,831.			
c Adjusted net income (if negative, enter -0-)					

For Paperwork Reduction Act Notice, see instructions.

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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	
Assets	1 Cash - non-interest-bearing	(a) Book Value	(b) Book Value	(c) Fair Market Value
	2 Savings and temporary cash investments	-11,756.	39,362.	39,362.
	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 ►	NONE		
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) STMT 5.		902,733.	1,281,173.
	c Investments - corporate bonds (attach schedule) STMT 6.		91,775.	88,471.
	11 Investments - land, buildings, and equipment basis ►			
	Less accumulated depreciation ► (attach schedule)			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule) STMT 7.	1,463,725.	432,133.	496,099.
	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)	1,451,969.	1,466,003.	1,905,105.
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)			
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
Net Assets or Fund Balances	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ► <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	1,451,969.	1,466,003.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	1,451,969.	1,466,003.	
	31 Total liabilities and net assets/fund balances (see instructions)	1,451,969.	1,466,003.	

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	1,451,969.
2 Enter amount from Part I, line 27a	2	1,463.
3 Other increases not included in line 2 (itemize) ► SEE STATEMENT 8	3	12,989.
4 Add lines 1, 2, and 3	4	1,466,421.
5 Decreases not included in line 2 (itemize) ► SEE STATEMENT 9	5	418.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,466,003.

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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 PUBLICLY TRADED SECURITIES					
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 427,439.		405,491.	21,948.		
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a			21,948.		
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	36,970.	
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		

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	79,700.	2,025,321.	0.039352
2009	126,352.	1,622,170.	0.077891
2008	81,200.	1,589,541.	0.051084
2007			
2006			

2 Total of line 1, column (d)	2	0.168327
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	0.056109
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,837,452.
5 Multiply line 4 by line 3	5	103,098.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	748.
7 Add lines 5 and 6	7	103,846.
8 Enter qualifying distributions from Part XII, line 4	8	71,454.

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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)		
1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 . . .	Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)
1	1,497.	
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b . . .	
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- . . .	
3	Add lines 1 and 2 . . .	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0- . . .	
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0- . . .	
6	Credits/Payments.	
6a	2011 estimated tax payments and 2010 overpayment credited to 2011 . . . 1,120.	
6b	Exempt foreign organizations - tax withheld at source . . . NONE	
6c	Tax paid with application for extension of time to file (Form 8868) . . . NONE	
6d	Backup withholding erroneously withheld . . .	
7	Total credits and payments Add lines 6a through 6d . . . 1,120.	
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached . . .	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed . . . ► 9 377.	
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

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? . . .	Yes	No
1a		X	
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . .	Yes	No
1b		X	
1c	Did the foundation file Form 1120-POL for this year? . . .	Yes	No
1c		X	
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ _____ (2) On foundation managers ► \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____		
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>	Yes	No
2		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> . . .	Yes	No
3		X	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . .	Yes	No
4a		X	
b	If "Yes," has it filed a tax return on Form 990-T for this year? . . .	Yes	No
4b		X	
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>	Yes	No
5		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? . . .	Yes	No
6		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>	Yes	No
7		X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► PA	Yes	No
8a		X	
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> ? If "No," attach explanation . . .	Yes	No
8b		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> . . .	Yes	No
9		X	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i> . . .	Yes	No
10		X	

Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13	X	
Website address ► N/A		
14	WELLS FARGO BANK NA Located at ► 123 S BROAD ST, PHILADELPHIA, PA	Telephone no. ► (215) 670-4226 ZIP + 4 ► 19109
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ► <input checked="" type="checkbox"/> 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? Yes No See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ►	

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		
1a	During the year did the foundation (either directly or indirectly).	
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input 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"/>	
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? <input type="checkbox"/>	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).	
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►	
b	Are there any years listed in 2a for which the foundation is 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) <input type="checkbox"/>	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►	
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	If "Yes," did it have excess business holdings in 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) <input type="checkbox"/>	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/>	
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? <input type="checkbox"/>	

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:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(3) Provide a grant to an individual for travel, study, or other similar purposes?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	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?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	6b	X
If "Yes" to 6b, file Form 8870.					
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	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
SEE STATEMENT 10		22,946.	-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		NONE	NONE	NONE

Total number of other employees paid over \$50,000 ► **NONE**

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

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

Total number of others receiving over \$50,000 for professional services ►		NONE

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

1	NONE	
2	-----	
3	-----	
4	-----	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

1	NONE	
2	-----	
3	NONE	
Total. Add lines 1 through 3 ►		

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	1,836,137.
b Average of monthly cash balances	1b	29,296.
c Fair market value of all other assets (see instructions)	1c	NONE
d Total (add lines 1a, b, and c)	1d	1,865,433.
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	NONE
3 Subtract line 2 from line 1d	3	1,865,433.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	27,981.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,837,452.
6 Minimum investment return. Enter 5% of line 5	6	91,873.

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	91,873.
2a Tax on investment income for 2011 from Part VI, line 5	2a	1,497.
b Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	1,497.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	90,376.
4 Recoveries of amounts treated as qualifying distributions	4	NONE
5 Add lines 3 and 4	5	90,376.
6 Deduction from distributable amount (see instructions)	6	NONE
7 Distributable amount as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	90,376.

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	71,454.
b Program-related investments - total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	NONE
b Cash distribution test (attach the required schedule)	3b	NONE
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	71,454.
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	N/A
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	71,454.

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				90,376.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			NONE	
b Total for prior years 20 09, 20		NONE		
3 Excess distributions carryover, if any, to 2011				
a From 2006	NONE			
b From 2007	NONE			
c From 2008	NONE			
d From 2009	28,164.			
e From 2010	NONE			
f Total of lines 3a through e	28,164.			
4 Qualifying distributions for 2011 from Part XII, line 4 ► \$ 71,454.				
a Applied to 2010, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2011 distributable amount				71,454.
e Remaining amount distributed out of corpus	NONE			
5 Excess distributions carryover applied to 2011. (If an amount appears in column (d), the same amount must be shown in column (a).)	18,922.			18,922.
6 Enter the net total of each column as indicated below:	9,242.			
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b		NONE		
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions			NONE	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	NONE			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	NONE			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	9,242.			
10 Analysis of line 9.				
a Excess from 2007	NONE			
b Excess from 2008	NONE			
c Excess from 2009	9,242.			
d Excess from 2010	NONE			
e Excess from 2011	NONE			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**NOT APPLICABLE**

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				<input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)																																	
2a	<table border="1"> <thead> <tr> <th>Tax year</th> <th colspan="3">Prior 3 years</th> <th rowspan="2">(e) Total</th> </tr> <tr> <th>(a) 2011</th> <th>(b) 2010</th> <th>(c) 2009</th> <th>(d) 2008</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Tax year	Prior 3 years			(e) Total	(a) 2011	(b) 2010	(c) 2009	(d) 2008																									
Tax year	Prior 3 years			(e) Total																																		
(a) 2011	(b) 2010	(c) 2009	(d) 2008																																			
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)(ii)																																					
(3)	Largest amount of support from an exempt organization																																					
(4)	Gross investment income																																					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

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

N/A

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.

N/A**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
SEE STATEMENT 11				
Total			► 3a	65,134.
b Approved for future payment				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See 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			14	7.	
4 Dividends and interest from securities			14	55,892.	
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					
8 Gain or (loss) from sales of assets other than inventory			18	36,970.	
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)				92,869.	
13 Total Add line 12. columns (b), (d), and (e)				13	92,869.

(See worksheet in line 13 instructions to verify calculations.)

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

NOT APPLICABLE

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
WELLS FARGO - SECURED MARKET DEPOSIT ACC	7.	7.
TOTAL	7.	7.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
DIAMOND HILL LONG- SHORT FD CL I #11	51.	51.
DODGE & COX INCOME FD COM	12,751.	12,751.
DREYFUS EMG MKT DEBT LOC C-I #6083	857.	857.
HARBOR FD INTL FD	1,989.	1,989.
HUSSMAN STRATEGIC GROWTH FD	226.	226.
ING INTERNATIONAL REAL EST-I #2664	869.	869.
ING REAL ESTATE FUND CL-I #2190	681.	681.
ISHARES BARCLAYS TIPS BOND FUND	1,676.	1,676.
ISHARES RUSSELL 1000 VALUE	4,099.	4,099.
JPMORGAN HIGH YIELD FUND SS #3580	6,121.	6,121.
LAZARD EMERGING MKTS PTFL #638	2,275.	2,275.
MERGER FD SH BEN INT	94.	94.
MORGAN STANLEY INSTL FD INC INTL EQUITY	1,849.	1,849.
OPENHEIMER COM STR TR FD Y #739	3,547.	3,547.
PIMCO COMMODITY REAL RET STRAT-I#45	7,782.	7,782.
RIDGEWORTH FD-MIDCAP VAL EQ I #5412	1,157.	1,157.
SPDR DOW JONES REIT ETF	2,863.	2,863.
VANGUARD DEVELOPED MKTS INDEX #227	2,203.	2,203.
VANGUARD MSCI EMERGING MARKETS EFT	1,314.	1,314.
WELLS FARGO ADV LG CP GR FD-INS #440	514.	514.
WELLS FARGO ADV INTL BOND-IS #4705	2,974.	2,974.
TOTAL	55,892.	55,892.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEE (NON-ALLOC	583.			583.
TOTALS	583.	NONE	NONE	583.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FEDERAL TAX PAYMENT - PRIOR YE	795.	
FEDERAL ESTIMATES - PRINCIPAL	1,120.	
FOREIGN TAXES ON QUALIFIED FOR	685.	685.
FOREIGN TAXES ON NONQUALIFIED	143.	143.
TOTALS	2,743.	828.

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
25264S833 DIAMOND HILL LONG-SH	28,000.	29,964.
38142Y401 GOLDMAN SACHS GRTH O	32,374.	68,371.
411511306 HARBOR INTERNATION F	69,000.	79,166.
448108100 HUSSMAN STRATEGIC GR	46,000.	41,951.
44980Q518 ING INTERNATIONAL RE	24,000.	31,393.
44981V706 ING REAL ESTATE FUND	16,000.	34,135.
464287598 ISHARES RUSSELL 1000	117,616.	180,969.
52106N889 LAZARD EMERGING MKTS	40,000.	68,167.
589509108 MERGER FD SH BEN INT	18,000.	17,932.
61744J408 MORGAN STANLEY INSTL F	69,000.	78,307.
68380Y409 OPPENHEIMER COM STR	52,000.	55,142.
722005667 PIMCO COMMODITY REAL	27,643.	29,159.
76628R615 RIDGEWORTH FD-MIDCAP	37,285.	63,801.
78464A607 SPDR DOW JONES REIT	49,944.	101,150.
863137105 STRATTON SM-CAP VALU	28,508.	48,665.
921909701 VANGUARD DEVELOPED M	58,000.	63,112.
922042858 VANGUARD MSCI EMERGI	35,983.	54,513.
94985D244 WF ADV TRAD S/C GRWT	30,964.	50,917.
94985D277 WELLS FARGO ADV LG C	122,416.	184,359.
TOTALS	902,733.	1,281,173.

WATERS CHAS W C&A WATERS MEM FD

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FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
94985D582 WELLS FARGO ADV INTL	91,775.	88,471.
TOTALS	91,775.	88,471.

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	COST/ FMV C OR F	ENDING BOOK VALUE	ENDING FMV
256210105 DODGE & COX INCOME F	C	271,637.	303,896.
464287176 ISHARES BARCLAYS TIP	C	39,887.	48,962.
4812C0803 JPMORGAN HIGH YIELD	C	65,609.	87,039.
94985D582 WELLSF FARGO ADVANT	C		
38142Y401 GOLDMAN SACHS GROWTH	C		
464287598 ISHARES RUSSELL 1000	C		
68380Y409 OPPENHEIMER COMMODIT	C		
76628R615 RIDGEWORTH FD-MIDCAP	C		
863137105 STRATTON SMALL-CAP	C		
94984B348 WELLS FARGO ADVANT	C		
94985D277 WELLS FARGO ADVANT	C		
94985D244 WELLS FARGO ADVANT	C		
52106N889 LAZARD EMERGING	C		
922042858 VANGUARD MSCI EMER	C		
44980Q518 ING INTERNATIONAL	C		
44981V706 ING REAL ESTATE	C		
722005667 PIMCO COMMODITY	C		
78464A607 SPDR DOW JONES REIT	C		
261980494 DREYFUS EMG MKT DEBT	C		
	55,000.	56,202.	
TOTALS		432,133.	496,099.

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
MUTUAL FUND TAX EFFECTIVE DATE BEFORE TYE	582.
ROUNDING	1.
SALES WITH GAIN POSTING NEXT TAX YEAR	12,406.
TOTAL	12,989.

STATEMENT 8

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
MUTUAL FUND TAX EFFECTIVE DATE AFTER TYE	418.
TOTAL	418.

STATEMENT 9

WATERS CHAS W C&A WATERS MEM FD

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FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

=====

OFFICER NAME:

WELLS FARGO BANK NA

ADDRESS:

1525 WEST WT HARRIS BLVD

CHARLOTTE, NC 28288

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION 22,946.

TOTAL COMPENSATION: 22,946.

=====

STATEMENT 10

WATERS CHAS W C&A WATERS MEM FD
FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID
=====

23-6609808

RECIPIENT NAME:
FOX CHASE CANCER CENTER

ADDRESS:
604 COTTMAN AVENUE
CHELTENHAM, PA 19012

RELATIONSHIP:
NONE

PURPOSE OF GRANT:
GENERAL SUPPORT

FOUNDATION STATUS OF RECIPIENT:
EXEMPT

AMOUNT OF GRANT PAID 65,134.

TOTAL GRANTS PAID: 65,134.

=====

STATEMENT 11

**SCHEDULE D
(Form 1041)**Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**

OMB No 1545-0092

2011► Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for
Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

Name of estate or trust

Employer identification number

WATERS CHAS W C&A WATERS MEM FD

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Note: Form 5227 filers need to complete only Parts I and II.

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a SHORT-TERM CAPITAL GAIN DIVIDENDS					6,856.
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b				1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824				2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts				3	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet				4 ()	
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ►				5	6,856.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS					8,166.
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b				6b	21,948.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824				7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts				8	
9 Capital gain distributions				9	
10 Gain from Form 4797, Part I				10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet				11 ()	
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ►				12	30,114.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13 Net short-term gain or (loss)	13			6,856.
14 Net long-term gain or (loss):				
a Total for year	14a			30,114.
b Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b			
c 28% rate gain	14c			
15 Total net gain or (loss). Combine lines 13 and 14a ►	15			36,970.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:		
a The loss on line 15, column (3) or b \$3,000	16	()

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet in the instructions to figure your capital loss carryover

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero.	18		
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20 Add lines 18 and 19	20		
21 If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . ►	21		
22 Subtract line 21 from line 20. If zero or less, enter -0-	22		
23 Subtract line 22 from line 17. If zero or less, enter -0-	23		
24 Enter the smaller of the amount on line 17 or \$2,300	24		
25 Is the amount on line 23 equal to or more than the amount on line 24?			
<input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box.	25		
<input type="checkbox"/> No. Enter the amount from line 23	26		
26 Subtract line 25 from line 24	26		
27 Are the amounts on lines 22 and 26 the same?			
<input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27		
28 Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29 Subtract line 28 from line 27	29		
30 Multiply line 29 by 15% (.15)	30		
31 Figure the tax on the amount on line 23. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31		
32 Add lines 30 and 31	32		
33 Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33		
34 Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34		

Name of estate or trust as shown on Form 1041. Do not enter name and employer identification number if shown on the other side.

Employer identification number

WATERS CHAS W C&A WATERS MEM ED

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Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b 21,948.00

Schedule D-1 (Form 1041) 2011