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 10/01 **, 2011, and ending** 9/30 , 2012

Rea Charitable Trust
Trust - 77433500
PO Box 41629
Austin, TX 78701-0028

A Employer identification number: 26-3671567

B Telephone number (see the instructions): 432.685.5211

C If exemption application is pending, check here ► [ ]

D 1 Foreign organizations, check here ► [ ]

2 Foreign organizations meeting the 85% test, check here and attach computation ► [ ]

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

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

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

H Check type of organization: [X] 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, column (c), line 16) ► $ 35,037,677.

J Accounting method [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc, received (att sch)				
	2 Ck ► [X] if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments			N/A	
	4 Dividends and interest from securities	482,661.	482,661.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	216,259.			
	b Gross sales price for all assets on line 6a 3,084,229.				
	7 Capital gain net income (from Part IV, line 2)		216,259.		
	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/(loss) (att sch)				
	11 Other income (attach schedule) See Statement 1	3,375,176.	3,375,176.		
	12 **Total.** Add lines 1 through 11	4,074,096.	4,074,096.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	403,474.	302,605.		100,869.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) See St 2	1,333.	1,333.		
	b Accounting fees (attach sch) See St 3	7,500.			7,500.
	c Other prof fees (attach sch)				
	17 Interest				
	18 Taxes (attach schedule)(see instrs) See Stm 4	332,099.	332,099.		
	19 Depreciation (attach sch) and depletion	299,291.	299,291.		
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Statement 5	11,516.	11,516.		
	24 **Total operating and administrative expenses.** Add lines 13 through 23	1,055,213.	946,844.		108,369.
	25 Contributions, gifts, grants paid Part XV	1,376,600.			1,376,600.
	26 **Total expenses and disbursements.** Add lines 24 and 25	2,431,813.	946,844.		1,484,969.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	1,642,283.			
	b **Net investment income** (if negative, enter 0)		3,127,252.		
	c **Adjusted net income** (if negative, enter 0-)				

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	2,504.	984.	984.
	2 Savings and temporary cash investments	1,722,432.	2,981,183.	2,981,183.
	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 sch) ▶			
	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)	11,999.	1,006,035.	1,022,030.
	b Investments – corporate stock (attach schedule) Statement 6	2,589,600.	2,851,436.	3,833,078.
	c Investments – corporate bonds (attach schedule) Statement 7	3,618,471.	2,650,557.	2,803,328.
	11 Investments – land, buildings, and equipment basis ▶ 6,726,335.			
	Less accumulated depreciation (attach schedule) See Stmt 8 ▶ 945,958.	6,079,668.	5,780,377.	14,059,340.
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule) Statement 9	9,114,558.	9,510,943.	10,337,734.
	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)	23,139,232.	24,781,515.	35,037,677.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	20,295,450.	20,295,450.	
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	2,843,782.	4,486,065.	
	30 Total net assets or fund balances (see instructions)	23,139,232.	24,781,515.	
	31 Total liabilities and net assets/fund balances (see instructions)	23,139,232.	24,781,515.	

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	23,139,232.
2	Enter amount from Part I, line 27a	2	1,642,283.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	24,781,515.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	24,781,515.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a See Statement 10			
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				
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				
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	216,259.
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	17,952.

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) N/A

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 (column (b) divided by column (c))
2010			
2009			
2008			
2007			
2006			

2 **Total** of line 1, column (d)	2	
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	
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	
8 Enter qualifying distributions from Part XII, line 4	8	

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)

1 a 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 instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► [ ] and enter 1% of Part I, line 27b		1	62,545.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	62,545.
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	62,545.
6 Credits/Payments.			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a 48,000.		
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	48,000.
8 Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached		8	320.
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►		9	14,865.
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
1 a 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		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
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		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ► $ 0. **(2)** On foundation managers ► $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	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? *If 'Yes,' attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	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?	6		X
7 Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► TX			
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	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

				Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)		11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)		12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		13	X	
	Website address ► www.reacharitabletrust.org				
14	The books are in care of ► Wells Fargo Bank NA Telephone no. ► 432.685.5211				
	Located at ► PO Box 1959 Midland TX ZIP + 4 ► 79702-1959				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here	N/A ► ☐			
	and enter the amount of tax-exempt interest received or accrued during the year	► 15			N/A
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?		16		X
	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
1 a	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 instructions)?			1 b	N/A	
	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?			1 c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))					
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ Yes	☒ No			
	If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__					
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see instructions)			2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here					
	► 20__ , 20__ , 20__ , 20__					
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ 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	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?			4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?			4b		X

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

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

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

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here ► ☐

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53 4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (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 11		403,474.	0.	0.

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

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

Total number of other employees paid over $50,000 ► 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 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 N/A	
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	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ►	0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:			
a Average monthly fair market value of securities		1a	16,795,211.
b Average of monthly cash balances		1b	2,387,900.
c Fair market value of all other assets (see instructions)		1c	14,059,340.
d Total (add lines 1a, b, and c)		1d	33,242,451.
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	33,242,451.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	498,637.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4		5	32,743,814.
6 Minimum investment return. Enter 5% of line 5		6	1,637,191.

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	1,637,191.
2a Tax on investment income for 2011 from Part VI, line 5	2a 62,545.		
b Income tax for 2011 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	62,545.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	1,574,646.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	1,574,646.
6 Deduction from distributable amount (see instructions)		6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	1,574,646.

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	1,484,969.
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	
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	1,484,969.
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	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,484,969.

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				1,574,646.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			771,478.	
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 ► $ 1,484,969.				
a Applied to 2010, but not more than line 2a			771,478.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2011 distributable amount				713,491.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (*If an amount appears in column (d), the same amount must be shown in column (a).*)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount – see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				861,155.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

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

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
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 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))

None

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

None

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:**

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

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

See Statement 12

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

See Statement for Line 2a

c Any submission deadlines

See Statement for Line 2a

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

See Statement for Line 2a

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				
See Statement 13				
Total			► 3a	1,376,600.
b Approved for future payment				
Total			► 3b	

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 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			1	482,661.	
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	3,375,176.	
8 Gain or (loss) from sales of assets other than inventory					216,259.
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)				3,857,837.	216,259.
13 Total. Add line 12, columns (b), (d), and (e)				13	4,074,096.

(See worksheet in line 13 instructions 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 foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
N/A	

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)		X
(2) Other assets	1a(2)		X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If 'Yes,' complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Sign Here ▶ [signature] 2-5-13 ▶ Trustee #94-3080771

Signature of officer or trustee | Date | Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self employed	PTIN
Allen G McGuire, CPA	Allen G McGuire, CPA	1/31/13	X	P00179759

Firm's name ▶ Allen McGuire, CPA — Firm's EIN ▶ 75-1705838

Firm's address ▶ PO Box 2111, Midland, TX 79702-2111 — Phone no (432) 682-8000

TEEA0503L 07/15/11

2011 Federal Private Foundation Tax Summary

Rea Charitable Trust
Trust - 77433500

Client 5 — **26-3671567**

1/31/13 — 2 07 PM

	2011	2010	Diff
REVENUE PER BOOKS			
Dividends & interest from securities	482,661	436,881	45,780
Net gain (loss) - noninv. assets/disp	216,259	138,400	77,859
Other income	3,375,176	2,778,089	597,087
Total revenue	4,074,096	3,353,370	720,726
EXPENSES PER BOOKS			
Compensation of officers, dir, etc	403,474	349,023	54,451
Legal fees	1,333	8,754	-7,421
Accounting fees	7,500	10,000	-2,500
Taxes	332,099	390,717	-58,618
Depreciation	299,291	315,043	-15,752
Other expenses	11,516	13,704	-2,188
Total operating/administrative exp	1,055,213	1,087,241	-32,028
Contributions, gifts, grants paid	1,376,600	888,500	488,100
Total expenses	2,431,813	1,975,741	456,072
Excess of revenue over expenses	1,642,283	1,377,629	264,654
NET INVESTMENT REVENUE			
Dividends & interest from securities	482,661	436,881	45,780
Capital gain net income	216,259	138,400	77,859
Other income	3,375,176	2,778,089	597,087
Total revenue	4,074,096	3,353,370	720,726
NET INVESTMENT EXPENSES			
Compensation of officers, dir, etc	302,605	261,767	40,838
Legal fees	1,333	8,754	-7,421
Taxes	332,099	390,717	-58,618
Depreciation	299,291	315,043	-15,752
Other expenses	11,516	3,704	7,812
Total operating/administrative exp	946,844	979,985	-33,141
Total expenses	946,844	979,985	-33,141
Net investment income	3,127,252	2,373,385	753,867
TAX COMPUTATION			
Tax on net investment income	62,545	47,468	15,077
Tax on investment income	62,545	47,468	15,077
PAYMENTS AND CREDITS			
Overpayment credited from prior year	4,532	0	4,532
Estimated tax payments	43,468	52,000	-8,532
Total payments and credits	48,000	52,000	-4,000
REFUND OR AMOUNT DUE			
Overpayment	0	4,532	-4,532
Overpayment credited to next year	0	4,532	-4,532
[illegible]	[illegible]	[illegible]	[illegible]
Tax due	14,865	0	14,865
TAX RATES			
Marginal tax rate	2.0%	2.0%	0.0%
Effective tax rate	2.0%	2.0%	0.0%

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income	$ 3,375,176.	$ 3,375,176.	
Total	$ 3,375,176.	$ 3,375,176.	$ 0.

Statement 2
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
	$ 1,333.	$ 1,333.		
Total	$ 1,333.	$ 1,333.		$ 0.

Statement 3
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
0	$ 7,500.			$ 7,500.
Total	$ 7,500.	$ 0.		$ 7,500.

Statement 4
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
990 PF Current Yr Est Pmts	$ 43,468.	$ 43,468.		
Ad Val & Severence Tax on Minerals	283,152.	283,152.		
Foreign Tax on Dividends	5,479.	5,479.		
Total	$ 332,099.	$ 332,099.		$ 0.

Statement 5
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Misc Exp on Royalties	$ 1,237.	$ 1,237.		
Other Miscellaneous Expenses	10,279.	10,279.		
Total	$ 11,516.	$ 11,516.		$ 0.

Statement 6
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
Carnival Corp	Cost	$ 0.	$ 0.
Comcast Corp Class A	Cost	42,475.	106,770.
Target Corp	Cost	80,324.	107,645.
Walt Disney Co	Cost	55,734.	117,735.
CVS/Caremark Corp	Cost	49,907.	88,512.
Diageo PLC - ADR	Cost	48,602.	94,017.
Nestle S.A. - ADR	Cost	49,070.	84,512.
Baker Hughes Inc Com	Cost	1.	0.
Chevron Corp	Cost	75,918.	135,326.
ConocoPhillips	Cost	0.	0.
Schlumberger LTD	Cost	96,750.	105,457.
AFLAC INC	Cost	54,070.	77,613.
Bank New York Mellon Corp Com	Cost	0.	0.
Capital One Financial Corp	Cost	40,163.	79,700.
JPMorgan Chase & Co	Cost	96,937.	109,620.
Morgan Stanley	Cost	0.	0.
Travelers Companies Inc	Cost	0.	0.
Abbott Labs	Cost	38,382.	63,898.
Johnson & Johnson	Cost	0.	0.
Novartis AG-ADR	Cost	40,769.	59,177.
UnitedHealth Group Inc	Cost	41,200.	93,975.
Cooper Industries PLC New Ireland	Cost	29,939.	65,828.
General Electric Co.	Cost	0.	0.
Harsco Corp	Cost	0.	0.
Iron Mountain Inc	Cost	0.	0.
L-3 Communications Corp Com	Cost	0.	0.
Apple Inc	Cost	49,780.	236,822.
E M C Corp Mass	Cost	36,303.	75,783.
Fiserv Inc	Cost	0.	0.
Hewlett Packard Co	Cost	0.	0.
Intel Corp	Cost	53,413.	74,105.
Microsoft Corp	Cost	64,716.	71,484.
Vodafone Group PLC New	Cost	42,780.	63,612.
Apache Corp	Cost	105,153.	97,538.
Berkshire Hathaway	Cost	106,282.	128,331.
Thermo Fisher Scientific	Cost	68,134.	80,538.
Teva Pharmaceutical	Cost	78,559.	74,579.
BHP Billiton	Cost	72,676.	59,210.
Celanese Corp	Cost	74,365.	54,628.
Johnson Controls	Cost	98,775.	75,405.
TJX Cos Inc	Cost	51,562.	84,519.

Statement 6 (continued)
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
Union Pacific	Cost	$ 119,111.	$ 137,692.
Affiliated Mgrs Grp	Cost	92,837.	107,625.
Anheuser-Busch	Cost	103,699.	124,655.
Boeing Corp	Cost	63,566.	66,115.
CME Group	Cost	85,519.	91,091.
Cisco Systems	Cost	74,794.	85,164.
Goldman Sachs	Cost	50,581.	57,408.
Google Inc	Cost	85,235.	104,875.
Oracle Corp	Cost	70,431.	81,796.
3M Company	Cost	74,241.	87,799.
Total S.A. ADR	Cost	69,514.	77,154.
U S Bancorp	Cost	90,692.	98,441.
Gilead Sciences	Cost	62,558.	78,933.
United Parcel	Cost	65,919.	67,991.
	Total	$ 2,851,436.	$ 3,833,078.

Statement 7
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

Corporate Bonds	Valuation Method	Book Value	Fair Market Value
Charles Schwab Corp 6/1/14	Cost	$ 226,539.	$ 241,150.
Goldman Sachs Group Inc. 5/7/13	Cost	150,000.	129,704.
Hewlett-Packard Co.	Cost	1.	0.
Merck & Co Inc 6/30/15	Cost	151,362.	164,242.
Target Corp 1/15/18	Cost	100,958.	123,967.
AT&T 5/15/2018	Cost	218,810.	245,072.
Blackrock Inc 12/10/2019	Cost	208,074.	237,658.
Citigroup Inc 12/9/2011	Cost	0.	0.
Duke Energy 6/15/2020	Cost	202,124.	230,558.
Goldman Sachs 8/1/2012	Cost	0.	0.
Nokia Corp 5/15/2019	Cost	0.	0.
UBS AG Stamford CT 12/20/2017	Cost	0.	0.
Walgreen Co 8/1/2013	Cost	325,163.	310,581.
EBay Inc 10/15/20	Cost	99,255.	107,571.
Microsoft 10/1/20	Cost	100,966.	109,546.
Wal Mart 4/15/21	Cost	108,811.	117,596.
Genl Elec Capital 11/15/20	Cost	211,934.	211,994.
McDonalds 1/15/22	Cost	99,657.	105,209.
Pepsico 6/1/18	Cost	115,708.	118,854.
BP Capital Mkts 10/1/20	Cost	108,860.	116,085.
Berkshire Hathaway 1/15/21	Cost	107,260.	113,924.
Cisco Systems 2/15/19	Cost	115,075.	119,617.
	Total	$ 2,650,557.	$ 2,803,328.

Statement 8
Form 990-PF, Part II, Line 11
Investments - Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Miscellaneous	$ 6,726,335.	$ 945,958.	$ 5,780,377.	$ 14,059,340.
Total	$ 6,726,335.	$ 945,958.	$ 5,780,377.	$ 14,059,340.

Statement 9
Form 990-PF, Part II, Line 13
Investments - Other

	Valuation Method	Book Value	Fair Market Value
Other Publicly Traded Securities			
General Electric Capital Corp	Cost	$ 50,994.	$ 53,232.
Templeton Global Bond Fund - Advisor	Cost	645,000.	708,740.
Invesco Int'l Growth Fund	Cost	90,000.	107,251.
IShares MSCI EAFE	Cost	852,091.	821,341.
Keeley Small Cap Value Fund Class	Cost	149,000.	210,286.
IShares Gold Trust	Cost	115,628.	214,321.
Vornado Realty Trust	Cost	1,145.	1,378.
SPDR DJ Wilshire Int'l Real Estate ETF	Cost	539,472.	574,345.
Artio Global High Income	Cost	842,000.	823,731.
Fidelity Adv Emerg Mkts	Cost	364,000.	422,241.
Dreyfus/The Boston Co Small Cap	Cost	249,984.	329,809.
Ishares S&P Midcap 400 Index Fd	Cost	535,208.	641,913.
Ishares Tr Small Cap 600 Index Fd	Cost	175,384.	249,321.
Principal Inv Mid Cap Growth Fd	Cost	99,680.	115,957.
T Rowe Price Inst Emer Fd	Cost	300,118.	343,275.
Harbor Intl Fund	Cost	350,327.	419,693.
Vanguard Emerging Markets	Cost	405,238.	386,119.
ASGI Mesirow Insight Fd	Cost	450,000.	440,855.
Hussman Strat Growth Fund	Cost	399,427.	328,833.
Merger Fund	Cost	199,434.	204,831.
Pam Global Diversified Fund	Cost	425,000.	399,506.
Rici Linked Pam Total Index	Cost	350,000.	388,883.
Chambers St Properties	Cost	411,077.	489,130.
Vanguard REIT Viper	Cost	474,480.	621,559.
Ipath DJ UBS Commod Indes	Cost	131,256.	118,085.
Pimco Foreign Bond Fd	Cost	480,000.	488,834.
Partners Grp Private Eq	Cost	425,000.	434,265.
	Total	$ 9,510,943.	$ 10,337,734.

Statement 10
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	Aflac Inc	Purchased	6/12/2009	5/14/2012
2	Abbott Labs	Purchased	5/14/2012	6/07/2012
3	Abbott Labs	Purchased	1/16/2006	7/05/2012
4	Abbott Labs	Purchased	9/28/2009	7/05/2012
5	Abbott Labs	Purchased	5/14/2012	7/05/2012
6	Anheuser-Busch Inbev Spn Adr	Purchased	5/14/2012	7/05/2012
7	Apple Computer Inc Com	Purchased	6/12/2009	5/14/2012
8	Baker Hughs Inc	Purchased	6/12/2009	3/26/2012
9	Baker Hughs Inc	Purchased	9/28/2009	3/26/2012
10	Bank of New York Mellon Corp	Purchased	12/21/2009	5/14/2012
11	Bank of New York Mellon Corp	Purchased	9/28/2009	5/14/2012
12	Bank of New York Mellon Corp	Purchased	6/12/2009	5/14/2012
13	CVS/Caremark Corp	Purchased	1/16/2006	5/14/2012
14	Capital One Financial Corp	Purchased	6/12/2009	5/14/2012
15	Carnival Corp	Purchased	6/12/2009	5/14/2012
16	Carnival Corp	Purchased	9/28/2009	5/14/2012
17	Citigroup Inc	Purchased	11/10/2009	12/09/2011
18	Comcast Corp Class A	Purchased	6/12/2009	5/14/2012
19	Comcast Corp Class A	Purchased	9/28/2009	8/16/2012
20	Comcast Corp Class A	Purchased	6/12/2009	8/16/2012
21	Conoco Phillips	Purchased	6/12/2009	5/14/2012
22	Conoco Phillips	Purchased	9/28/2009	5/14/2012
23	Diageo PLC-ADR	Purchased	6/12/2009	5/14/2012
24	Walt Disney Co	Purchased	6/12/2009	5/14/2012
25	Walt Disney Co	Purchased	9/28/2009	8/16/2012
26	Walt Disney Co	Purchased	6/12/2009	8/16/2012
27	EMC Corp Mass	Purchased	6/12/2009	5/14/2012
28	Fiserv Inc	Purchased	9/28/2009	5/14/2012
29	Fiserv Inc	Purchased	6/12/2009	5/14/2012
30	General Electric Co	Purchased	1/16/2006	5/14/2012
31	General Electric Co	Purchased	9/28/2009	5/14/2012
32	Gilead Sciences Inc	Purchased	5/14/2012	9/25/2012
33	Harsco Corp	Purchased	6/12/2009	10/26/2011
34	Harsco Corp	Purchased	9/28/2009	10/26/2011
35	Hewlett Packard Co	Purchased	5/14/2012	8/31/2012
36	Hewlett Packard Co	Purchased	9/28/2009	8/31/2012
37	Hewlett Packard Co	Purchased	6/12/2009	8/31/2012
38	Intel Corp	Purchased	6/12/2009	5/14/2012
39	Iron Mountain Inc	Purchased	9/28/2009	10/26/2011
40	Iron Mountain Inc	Purchased	6/12/2009	10/26/2011
41	Ishares Gold Trust	Purchased	1/01/2001	10/31/2011
42	Ishares Gold Trust	Purchased	1/01/2001	11/30/2011
43	Ishares Gold Trust	Purchased	1/01/2001	12/31/2011
44	Johnson & Johnson	Purchased	1/16/2006	5/14/2012
45	Johnson & Johnson	Purchased	9/28/2009	5/14/2012
46	L-3 Communications Corp Com	Purchased	6/12/2009	10/26/2011
47	L-3 Communications Corp Com	Purchased	9/28/2009	10/26/2011
48	Microsoft Corp	Purchased	1/16/2006	5/14/2012
49	Morgan Stanley	Purchased	6/12/2009	5/14/2012
50	Morgan Stanley	Purchased	9/28/2009	5/14/2012
51	Nestle S.A. Registered Shares	Purchased	6/12/2009	5/14/2012
52	Novartis AG-ADR	Purchased	6/12/2009	5/14/2012
53	Phillips 66	Purchased	9/28/2009	5/14/2012
54	Phillips 66	Purchased	6/12/2009	5/14/2012
55	Phillips 66	Purchased	9/28/2009	5/22/2012
56	TJX COS Inc New	Purchased	8/01/2011	5/14/2012

Statement 10 (continued)
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
57	Target Corp	Purchased	1/16/2006	5/14/2012
58	Travelers Cos Inc	Purchased	6/12/2009	5/14/2012
59	Travelers Cos Inc	Purchased	9/28/2009	5/14/2012
60	Travelers Cos Inc	Purchased	1/16/2006	5/14/2012
61	United Health Group Inc	Purchased	6/12/2009	5/14/2012
62	Vodafone Group Plc New Adr	Purchased	6/12/2009	5/14/2012
63	Cooper Industries Plc New Ireland	Purchased	6/12/2009	5/14/2012
64	200M Goldman Sachs	Purchased	11/10/2009	8/01/2012
65	550M Hewlett Packard	Purchased	2/27/2009	2/24/2012
66	200M Nokia Corp	Purchased	6/03/2010	4/26/2012
67	25M Charles Schwab Corp	Purchased	6/12/2009	3/07/2012
68	200M UBS AG Stamford Ct	Purchased	6/02/2010	7/16/2012

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i)-(j)	(l) Gain (Loss)
1	17,708.		13,655.	4,053.				$ 4,053.
2	18,773.		18,911.	-138.				-138.
3	32,011.		20,344.	11,667.				11,667.
4	3,694.		2,791.	903.				903.
5	17,107.		16,315.	792.				792.
6	17,966.		16,366.	1,600.				1,600.
7	123,433.		30,086.	93,347.				93,347.
8	67,777.		65,849.	1,928.				1,928.
9	2,706.		2,693.	13.				13.
10	15,894.		20,170.	-4,276.				-4,276.
11	1,180.		1,625.	-445.				-445.
12	29,815.		39,851.	-10,036.				-10,036.
13	43,540.		25,864.	17,676.				17,676.
14	4,475.		2,060.	2,415.				2,415.
15	46,795.		35,601.	11,194.				11,194.
16	1,857.		1,982.	-125.				-125.
17	500,000.		518,066.	-18,066.				-18,066.
18	54,985.		27,018.	27,967.				27,967.
19	6,818.		3,392.	3,426.				3,426.
20	4,091.		1,706.	2,385.				2,385.
21	56,242.		36,259.	19,983.				19,983.
22	2,277.		1,518.	759.				759.
23	45,572.		25,611.	19,961.				19,961.
24	10,398.		5,692.	4,706.				4,706.
25	5,127.		2,879.	2,248.				2,248.
26	4,926.		2,425.	2,501.				2,501.
27	22,253.		10,923.	11,330.				11,330.
28	3,169.		2,356.	813.				813.
29	80,147.		56,469.	23,678.				23,678.
30	26,537.		50,053.	-23,516.				-23,516.
31	1,061.		958.	103.				103.
32	14,189.		11,040.	3,149.				3,149.
33	26,900.		38,015.	-11,115.				-11,115.
34	1,064.		1,679.	-615.				-615.
35	2,276.		3,109.	-833.				-833.
36	1,147.		3,248.	-2,101.				-2,101.
37	28,918.		64,003.	-35,085.				-35,085.
38	5,406.		3,236.	2,170.				2,170.
39	3,157.		2,668.	489.				489.

Statement 10 (continued)
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i)-(j)	(l) Gain (Loss)
40	79,189.		67,928.	11,261.				$ 11,261.
41	42.		31.	11.				11.
42	43.		30.	13.				13.
43	43.		34.	9.				9.
44	87,299.		84,310.	2,989.				2,989.
45	3,451.		3,315.	136.				136.
46	72,408.		78,427.	-6,019.				-6,019.
47	2,932.		3,431.	-499.				-499.
48	39,576.		34,943.	4,633.				4,633.
49	18,473.		38,271.	-19,798.				-19,798.
50	730.		1,580.	-850.				-850.
51	37,134.		23,082.	14,052.				14,052.
52	3,161.		2,514.	647.				647.
53	658.		441.	217.				217.
54	16,631.		10,776.	5,855.				5,855.
55	16.		10.	6.				6.
56	42,210.		28,828.	13,382.				13,382.
57	2,203.		2,170.	33.				33.
58	33,796.		22,702.	11,094.				11,094.
59	2,908.		2,196.	712.				712.
60	38,771.		28,208.	10,563.				10,563.
61	24,854.		10,894.	13,960.				13,960.
62	3,691.		2,565.	1,126.				1,126.
63	46,136.		26,455.	19,681.				19,681.
64	200,000.		207,240.	-7,240.				-7,240.
65	550,000.		558,344.	-8,344.				-8,344.
66	173,248.		212,844.	-39,596.				-39,596.
67	27,165.		25,171.	1,994.				1,994.
68	226,070.		204,744.	21,326.				21,326.
							Total	$ 216,259.

Statement 11
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen-sation	Contri-bution to EBP & DC	Expense Account/ Other
Wells Fargo Bk NA, Trustee PO Box 1959 Midland, TX 79702-1959	Trustee 0	$ 402,574.	$ 0.	$ 0.
Richard Folger PO Box 60760 Midland, TX 79711-0760	Grants Advisor 0	100.	0.	0.

Statement 11 (continued)
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Vicky Jay 4520 Hilltop Midland, TX 79707	Grants Advisor 0	$ 200.	$ 0.	$ 0.
Becky Ferguson 1704 Storey Ave Midland, TX 79701	Grants Advisor 0	100.	0.	0.
Frank K Cahoon 500 West Texas #750 Midland, TX 79701	Grants Advisor 0	200.	0.	0.
Paul Morris 300 N Marienfeld #1100 Midland, TX 79701	Grants Advisor 0	200.	0.	0.
Joann Foster 2103 Winfield Midland, TX 79705	Grants Advisor 0	100.	0.	0.
	Total	$ 403,474.	$ 0.	$ 0.

Statement 12
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:	Rea Charitable Trust
Name:	Trust Department
Care Of:	Wells Fargo Bank, NA
Street Address:	P O Box 1959
City, State, Zip Code:	Midland, TX 79702
Telephone:	432-685-5300
Form and Content:	A formal Grant Application must be completed. In Addition to the Grant Application, the applicant must submit budget information, audited financial statements, if any, a copy of the IRS Determination Letter regarding tax exempt status and the last Form 990 filed with the IRS.
Submission Deadlines:	Grants awarded in June & December - Deadline 4-15 & 10-15
Restrictions on Awards:	Generally None Other than Geographic Area

Statement 13
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Allegro Chorale & Orchestra 2304 Metz Place Midland, TX 79705	None	Public	Community Concerts	$ 15,000.
Arts Council of Midland 401 West Texas Midland, TX 79701	None	Public	Art Appreciation & Education	30,000.
Big Spring Symphony Assn 808 Scurry Big Spring, TX 79720	None	Public	Education for Disabled	20,000.
Globe of the Great Southwest 2308 Shakespeare Odessa, TX 79761	None	Public	Theatre Appreciation	15,000.
Hospice of Midland Inc PO Box 2621 Midland, TX 79702	None	Public	Public Health & Care	30,000.
Midland College Foundation 3600 N Garfield St Midland, TX 79705	None	Public	Public Education	25,000.
Midland Community Concerts P.O. Box 10836 Midland, TX 79702	None	Public	Cultural Arts	10,000.
Museum of the Southwest 1705 West Missouri Avenue Midland, TX 79701	None	Public	Art Appreciation & Education	11,000.
Midland Community Theatre 2000 West Wadley Midland, TX 79705	None	Public	Local Community Theatre	50,000.
Midland Festival Ballet 401 W. Texas Ave. Midland, TX 79701	None	Public	Cultural Arts	25,000.
Univ of Texas Permian Basin 4901 East University Odessa, TX 79762	None	Public	Higher Education & Cultural Arts	375,000.
Permian Basin Public Telecommunications P.O. Box 8940 Midland, TX 79708	None	Public	Public Television	200,000.

Statement 13 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Ector County ISD Educ Foundation 802 N. Sam Houston Odessa, TX 79761	None	Public	Public Education	$ 9,000.
Ellen Noel Art Museum 4909 E. University Odessa, TX 79762	None	Public	Cultural Arts	15,000.
Midland-Odessa Symphony & Chorale 3100 La Force Blvd Odessa, TX 79761	None	Public	Public Symphony	50,000.
Midland Opera Theatre P.O. Box 4504 Midland, TX 79704	None	Public	Cultural Arts	30,000.
West Texas Jazz Society P.O. Box 10832 Midland, TX 79702	None	Public	Cultural Arts	20,000.
Midland Gem & Mineral Society PO Box 5043 Midland, TX 79704	None	Public	Geological Awareness	60,000.
Sibley Environmental Learning Ctr 1307 E Wadley Midland, TX 79705	None	Public	Enviuronmental Awareness	2,600.
United Way of Midland Inc 1209 West Wall Midland, TX 79701	None	Public	Community Needs Support	300,000.
Angelo State University Foundation 2601 W Avenue N, ASU Station #11023 San Angelo, TX 76909	None	Public	Higher Education	75,000.
Midland Montessori School 1011 Austin St Midland, TX 79703	None	Public	Public Education	9,000.
			Total	$ 1,376,600.

Other Income Producing Activities
Other investment income [O]

Oil & Gas Roya,ty	$	3,338,240.
Gains thru Mutual Fds		36,936.
Total	$	3,375,176.

2011 Federal Book Depreciation Schedule

Rea Charitable Trust
Trust - 77433500

Client 5 26-3671567

1/31/13 02 07PM

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus Pct.	Cur 179 Bonus	Special Depr Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
	Form 990/990-PF															
	Miscellaneous															
1	Oil & Gas Royalty	9/01/09		6,632,485							6,632,485	646,667	125DB	25		299,291
2	Non Producing O&G	9/01/09		93,850							93,850					0
	Total Miscellaneous			6,726,335		0	0	0	0	0	6,726,335	646,667				299,291
	Total Depreciation			6,726,335		0	0	0	0	0	6,726,335	646,667				299,291
	Grand Total Depreciation			6,726,335		0	0	0	0	0	6,726,335	646,667				299,291

Balance Sheet
U.S. and state government obligations (Form 990-PF)[O]

Fed Farm Credit 2015	$	106,010.
Fed Home Ln Bank 2015		107,434.
Fed Home Loan Mtg Cp		24,875.
Fed Home Loan Mtg Cp		114,293.
Fed Natl Mtg Assn 2014		52,875.
Fed Natl Mtg Assn 2017		105,078.
U S Treas Bnd 2023		11,999.
U S Treas Note 2017		75,135.
U S Treas Note 2014		99,758.
U S Treas Note 2016		100,977.
U S Treas Note 2018		100,453.
U S Treas Note 2020		107,148.
Total	$	1,006,035.

Rea Charitable Trust
Trust - 77433500

26-3671567

Form **990-W** (Worksheet)

Department of the Treasury Internal Revenue Service

For Form 990-PF Purposes

Estimated Tax on Unrelated Business Taxable Income for Tax-Exempt Organizations

(and on Investment Income for Private Foundations)

(Keep for your records. Do not send to the Internal Revenue Service.)

OMB No 1545 0976

2012

1 Unrelated business taxable income expected in the tax year	1	
2 **Tax on the amount on line 1.** See instructions for tax computation	2	
3 Alternative minimum tax (see instructions)	3	
4 Total. Add lines 2 and 3	4	
5 Estimated tax credits (see instructions)	5	
6 Subtract line 5 from line 4	6	
7 Other taxes (see instructions)	7	
8 Total Add lines 6 and 7	8	
9 Credit for federal tax paid on fuels (see instructions)	9	
10a Subtract line 9 from line 8 **Note.** If less than $500, the organization is not required to make estimated tax payments Private foundations, see instructions — 10a: 64,000.		
b Enter the tax shown on the 2011 return (see instructions) **Caution.** If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c — 10b:		
c **2012 Estimated Tax.** Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c	10c	64,000.

		(a)	(b)	(c)	(d)
11 **Installment due dates** (see instructions)	11	2/15/13	3/15/13	6/17/13	9/16/13
12 **Required installments.** Enter 25% of line 10c in columns **(a)** through **(d)** unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a 'large organization ' (see instructions)	12	16,000.	16,000.	16,000.	16,000.
13 **2011 Overpayment.** (see instructions)	13	0.	0.	0.	0.
14 **Payment due.** (Subtract line 13 from line 12)	14	16,000.	16,000.	16,000.	16,000.

BAA For Paperwork Reduction Act Notice, see instructions.

Form **990-W** (2012)

TEEA0601L 02/23/12

ADJUSTED NET INCOME REVENUE			
Total revenue	0	0	0
ADJUSTED NET INCOME EXPENSES			
Total operating/administrative exp	0	0	0
Total expenses	0	0	0
Adjusted net income	0	0	0
CHARITABLE PURPOSES DISBURSEMENTS			
Compensation of officers, dir, etc	100,869	87,256	13,613
Accounting fees	7,500	10,000	-2,500
Other expenses	0	10,000	-10,000
Total operating/administrative exp	108,369	107,256	1,113
Contributions, gifts, grants paid	1,376,600	888,500	488,100
Total expenses and disbursements	1,484,969	995,756	489,213
NET ASSETS OR FUND BALANCES			
Net assets/fund bal. at beg. of year	23,139,232	21,773,193	1,366,039
Excess of revenue over expenses	1,642,283	1,377,629	264,654
Other decreases	0	11,590	-11,590
Net assets/fund bal. at end of year	24,781,515	23,139,232	1,642,283

Federal Critical Diagnostics

Form 990-W

☒ ~~This organization's history of federal net investment income (Form 990-PF) categorizes it as a "Large Organization." As a result, only the first estimated tax payment for 2012 can be based on 2011 income. If the organization's federal net investment income increases in 2012, the second, third, and fourth estimated tax payments should be increased to avoid 2012 underpayment penalty.~~

Federal Overrides

Screen 4.1

- ☐ An override entry of 1 has been made in Federal "TIN on Forms 990/990-PF: 1=when applicable, 2=suppress, 3=force [O]" (Screen 4.1, Code 27).
- ☐ An override entry of 1 has been made in Federal "Allow preparer/IRS discussion: 1=yes, 2=no, 3=blank [O]" (Screen 4.1, Code 50).

Screen 13

- ☐ An override entry of 4 has been made in Federal "Rounding: 1=$1, 2=$10, 3=$100, 4=$1,000 (990-PF) [O]" (Screen 13, Code 16).

Screen 18

- ☐ An override entry of 1 has been made in Federal "Other investment income [O] - exclusion code" (Screen 18, Code 30).
- ☐ An override entry of 3,338,240 has been made in Federal "Other investment income [O] - excluded amount" (Screen 18, Code 41).
- ☐ An override entry of 36,936 has been made in Federal "Other investment income [O] - excluded amount" (Screen 18, Code 41).

Screen 50.1

- ☐ An override entry of 11,999 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 123).
- ☐ An override entry of 2,589,600 has been made in Federal "Corporate stock (Form 990-PF)[O]" (Screen 50.1, Code 124).
- ☐ An override entry of 3,618,471 has been made in Federal "Corporate bonds (Form 990-PF)[O]" (Screen 50.1, Code 125).
- ☐ An override entry of 9,114,558 has been made in Federal "Other (Form 990-PF)[O]" (Screen 50.1, Code 140).
- ☐ An override entry of 106,010 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 107,434 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 24,875 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 114,293 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 52,875 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 105,078 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).

Federal Overrides (continued)

Screen 50.1

- ☐ An override entry of 11,999 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 75,135 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 99,758 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 100,977 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 100,453 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 107,148 has been made in Federal "U.S. and state government obligations (Form 990-PF)[O]" (Screen 50.1, Code 223).
- ☐ An override entry of 2 has been made in Federal "1=SFAS 117, 2=non-SFAS 117 [O]" (Screen 50.1, Code 279).

Rea Charitable Trust
Trust - 77433500

Client 5 26-3671567

1/31/13 02:07PM

Forms needed for this return

Federal: 990-PF, 990-W, 2220

Tax Rates

Private Foundation	Marginal	Effective
Federal	2.0 %	2.0 %

Underpayment Penalty

Federal Private Foundation	320.

Carryovers to 2012

None

Undistributed Income Carryovers to 2012

2011 Undistributed Income	861,155.

Federal Estimates

Form 990-PF

	Estimate	Overpayment	Balance
2/15/13	16,000.	0.	16,000.
3/15/13	16,000.	0.	16,000.
6/17/13	16,000.	0.	16,000.
9/16/13	16,000.	0.	16,000.
Total	$ 64,000.	$ 0.	$ 64,000.