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

**2012**

Department of the Treasury  
Internal Revenue Service

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

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation <b>WILLIAM BIRDWELL CHARITABLE TRUST</b>		<b>A Employer identification number</b> <b>43-6900293</b>
Number and street (or P O box number if mail is not delivered to street address) <b>1114 STATE STREET, SUITE 271</b>	Room/suite	<b>B Telephone number</b> <b>(805) 962-0101</b>
City or town, state, and ZIP code <b>SANTA BARBARA, CA 93101</b>		<b>C</b> If exemption application is pending, check here <input type="checkbox"/>
<b>G</b> Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		<b>D 1.</b> Foreign organizations, check here <input type="checkbox"/> <b>2.</b> Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<b>H</b> Check type of organization: <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input checked="" type="checkbox"/> Other taxable private foundation		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ <b>641,537.</b> (Part I, column (d) must be on cash basis)	<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	
<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>			<b>N/A</b>	
1 Contributions, gifts, grants, etc., received				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	40.	40.		<b>STATEMENT 1</b>
4 Dividends and interest from securities	22,156.	22,156.		<b>STATEMENT 2</b>
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	<2,955.>			
b Gross sales price for all assets on line 6a	61,574.			
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income	155.	155.		<b>STATEMENT 3</b>
12 Total. Add lines 1 through 11	19,396.	22,351.		
13 Compensation of officers, directors, trustees, etc	5,952.	2,976.		2,976.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees	2,100.	1,050.		1,050.
c Other professional fees	5,090.	5,090.		0.
17 Interest				
18 Taxes	350.	115.		35.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses	142.	142.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	13,634.	9,373.		4,061.
25 Contributions, gifts, grants paid	71,550.			71,550.
26 Total expenses and disbursements. Add lines 24 and 25	85,184.	9,373.		75,611.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<65,788.>			
b Net investment income (if negative, enter -0-)		12,978.		
c Adjusted net income (if negative, enter -0-)			<b>N/A</b>	

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**Part II Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only

	Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>				
1 Cash - non-interest-bearing	1,493.	100.	100.	
2 Savings and temporary cash investments	98,737.	86,986.	86,986.	
3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶				
4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶				
5 Grants receivable				
6 Receivables due from officers, directors, trustees, and other disqualified persons				
7 Other notes and loans receivable ▶ Less: allowance for doubtful accounts ▶				
8 Inventories for sale or use				
9 Prepaid expenses and deferred charges				
10a Investments - U.S. and state government obligations				
b Investments - corporate stock <b>STMT 8</b>	266,541.	251,853.	330,248.	
c Investments - corporate bonds				
11 Investments - land, buildings, and equipment basis ▶ Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other <b>STMT 9</b>	257,407.	219,488.	224,203.	
14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation ▶				
15 Other assets (describe ▶ <b>STATEMENT 10</b> )	37.	0.	0.	
<b>16 Total assets (to be completed by all filers)</b>	<b>624,215.</b>	<b>558,427.</b>	<b>641,537.</b>	
<b>Liabilities</b>				
17 Accounts payable and accrued expenses				
18 Grants payable				
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe ▶ )				
<b>23 Total liabilities (add lines 17 through 22)</b>	<b>0.</b>	<b>0.</b>		
<b>Net Assets or Fund Balances</b>				
<b>Foundations that follow SFAS 117, check here</b> ▶ <input type="checkbox"/> <b>and complete lines 24 through 26 and lines 30 and 31.</b>				
24 Unrestricted				
25 Temporarily restricted				
26 Permanently restricted				
<b>Foundations that do not follow SFAS 117, check here</b> ▶ <input checked="" type="checkbox"/> <b>and complete lines 27 through 31.</b>				
27 Capital stock, trust principal, or current funds	624,215.	558,427.		
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	0.	0.		
<b>30 Total net assets or fund balances</b>	<b>624,215.</b>	<b>558,427.</b>		
<b>31 Total liabilities and net assets/fund balances</b>	<b>624,215.</b>	<b>558,427.</b>		

**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	624,215.
2 Enter amount from Part I, line 27a	2	<65,788.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	558,427.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	558,427.

**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			
b <b>SEE ATTACHED STATEMENT</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 <b>61,574.</b>		<b>64,529.</b>	<b>&lt;2,955.&gt;</b>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			<b>&lt;2,955.&gt;</b>

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	<b>&lt;2,955.&gt;</b>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	<b>N/A</b>

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

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.) **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 (col. (b) divided by col. (c))
2011			
2010			
2009			
2008			
2007			

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 2012 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 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	

**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 checked="" type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: <u>02/10/04</u> (attach copy of letter if necessary-see instructions)	1	N/A
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-)	2	
3	Add lines 1 and 2	3	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	5	0.
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	0.
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	0.
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	
11	Enter the amount of line 10 to be: <b>Credited to 2013 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input checked="" type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>MR. STEPHEN T. FRANK</u> Telephone no. ► <u>(805) 962-0101</u> Located at ► <u>1114 STATE STREET, SUITE 271, SANTA BARBARA, CA</u> ZIP+4 ► <u>93101</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A	
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1b	
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)):	1c	X
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____, _____, _____	2a	
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.)	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. ► _____, _____, _____	2b	
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	3a	
b	If "Yes," did it have excess business holdings in 2012 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 2012)	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	3b	
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 2012?	4a	X
		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)?  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)?  Yes  No  
 Organizations relying on a current notice regarding disaster assistance check here  N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
 If "Yes," attach the statement required by Regulations section 53.4945-5(d). N/A

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?  Yes  No  
 If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

5b		
6b		X
7b		

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MR. STEPHEN T. FRANK 1114 STATE STREET, SUITE 271 SANTA BARBARA, CA 93101	TRUSTEE 1.00	5,952.	0.	0.

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

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

Total number of other employees paid over \$50,000 ▶ 0

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

**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(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	
SEE STATEMENT 11	75,611.
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments

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	
3	
All other program-related investments. See instructions.	
Total. Add lines 1 through 3 <span style="float: right;">▶</span>	0.

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	569,888.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	83,483.
<b>c</b>	Fair market value of all other assets	<b>1c</b>	0.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	653,371.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	653,371.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	9,801.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	643,570.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	32,179.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	32,179.
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5	<b>2a</b>	
<b>b</b>	Income tax for 2012. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	0.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	32,179.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.
<b>5</b>	Add lines 3 and 4	<b>5</b>	32,179.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	32,179.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	75,611.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	75,611.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	0.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	75,611.

**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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				32,179.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009	12,488.			
d From 2010	55,446.			
e From 2011	91,371.			
f Total of lines 3a through e	159,305.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ 75,611.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				32,179.
e Remaining amount distributed out of corpus	43,432.			
5 Excess distributions carryover applied to 2012 (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:	202,737.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	202,737.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009	12,488.			
c Excess from 2010	55,446.			
d Excess from 2011	91,371.			
e Excess from 2012	43,432.			

**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 2012, 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)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year	Prior 3 years			(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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 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).)

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 or e-mail 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)

<b>3 Grants and Contributions Paid During the Year or Approved for Future Payment</b>				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<b>a Paid during the year</b>				
SB COTTAGE HOSPITAL FDN PO BOX 689 SANTA BARBARA, CA 93102	NONE	PUBLIC CAHRITY	FUNDING FOR CHARITY	25,000.
SANSUM MEDICAL RESEARCH FDN 2219 BATH STREET SANTA BARBARA, CA 93105	NONE	PUBLIC CAHRITY	FUNDING FOR CHARITY	25,000.
ST. FRANCIS HOSPITAL FDN 2323 DE LA VINA SUITE 104 SANTA BARBARA, CA 93105	NONE	PUBLIC CAHRITY	FUNDING FOR CHARITY, 2012 NURSING SCHOLARSHIP, AND LIBERTY PROGRAM	21,550.
<b>Total</b>				<b>71,550.</b>
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>				<b>0.</b>





**WILLIAM BIRDWELL CHARITABLE TRUST**

**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 L/T PUBLICLY TRADED SECURITY			
b S/T PUBLICLY TRADED SECURITY			
c L/T PUBLICLY TRADED SECURITY			
d S/T PUBLICLY TRADED SECURITY			
e S/T PUBLICLY TRADED SECURITY			
f L/T PUBLICLY TRADED SECURITY			
g LOSSES ON WASH SALES DISALLOWED			
h S/T FROM KKR & CO PARTNERSHIP	P		
i L/T FROM KKR & CO PARTNERSHIP	P		
j S/T ADJUST BASIS UPON SALE KKR PARTNERSHIP	P		
k L/T ADJUST BASIS UPON SALE KKR PARTNERSHIP	P		
l CAPITAL GAINS DIVIDENDS			
m			
n			
o			

(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 5,032.		5,780.	<748.>
b 1,508.		1,513.	<5.>
c 15,753.		18,306.	<2,553.>
d 97.		94.	3.
e 95.		89.	6.
f 38,566.		38,372.	194.
g 45.			45.
h 3.			3.
i 116.			116.
j		266.	<266.>
k		109.	<109.>
l 359.			359.
m			
n			
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<748.>
b			<5.>
c			<2,553.>
d			3.
e			6.
f			194.
g			45.
h			3.
i			116.
j			<266.>
k			<109.>
l			359.
m			
n			
o			

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	<2,955.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

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

SOURCE	AMOUNT
MORGAN STANLEY INTEREST	20.
MORGAN STANLEY INTEREST	20.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	40.

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

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MERRILL LYNCH-CAP GAINS DIS	359.	359.	0.
MERRILL LYNCH-DIVIDENDS	6,361.	0.	6,361.
MORGAN STANLEY-SMITH BARNEY DIVIDEND	7,904.	0.	7,904.
MORGAN STANLEY-SMITH BARNEY DIVIDEND	7,568.	0.	7,568.
OTHER	323.	0.	323.
TOTAL TO FM 990-PF, PART I, LN 4	22,515.	359.	22,156.

## FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
KKR & CO LP-INTEREST(FINAL 2012)	32.	32.	
KKR & CO LP-DIVIDEND	123.	123.	
TOTAL TO FORM 990-PF, PART I, LINE 11	155.	155.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MF&CO	2,100.	1,050.		1,050.
TO FORM 990-PF, PG 1, LN 16B	2,100.	1,050.		1,050.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVISORY FEES PAID TO MORGAN STANLEY 71884	2,506.	2,506.		0.
ADVISORY FEES PAID TO MORGAN STANLEY 11357	2,584.	2,584.		0.
TO FORM 990-PF, PG 1, LN 16C	5,090.	5,090.		0.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID MERRILL LYNCH A/C	18.	18.		0.
FOREIGN TAXES PAID-MORGAN STANLEY A/C	26.	26.		0.
FOREIGN TAXES PAID-MORGAN STANLEY A/C	71.	71.		0.
CA STATE ATTORNEY GENERAL REG OF TRUSTS	25.	0.		25.
CA FRANCHISE TAX BOARD	10.	0.		10.
US TREASURY TAX PAYMENT	200.	0.		0.
TO FORM 990-PF, PG 1, LN 18	350.	115.		35.

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
MERRILL LYNCH ANNUAL FEE	65.	65.			0.
CMA ANNUAL FEE	66.	66.			0.
MORGAN STANLEY ADR FEE	6.	6.			0.
KKR & CO LP INVESTMENT INTEREST EXPENSE	4.	4.			0.
KKR & CO LP PORTFOLIO DEDUCTION	1.	1.			0.
TO FORM 990-PF, PG 1, LN 23	142.	142.			0.

FORM 990-PF	CORPORATE STOCK		STATEMENT	8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
CORPORATE STOCK- LIST AVAILABLE	251,853.	330,248.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	251,853.	330,248.		

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	9
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
MUTUAL FUNDS-LIST AVAILABLE	COST	219,488.	224,203.	
CLOSED END FUNDS	COST	0.	0.	
TOTAL TO FORM 990-PF, PART II, LINE 13		219,488.	224,203.	

FORM 990-PF	OTHER ASSETS		STATEMENT 10
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
RECEIVABLE DISTRIBUTION FROM KKR & CO LP PARTNERSHIP	37.	0.	0.
TO FORM 990-PF, PART II, LINE 15	37.	0.	0.

FORM 990-PF SUMMARY OF DIRECT CHARITABLE ACTIVITIES STATEMENT 11

ACTIVITY ONE

THE FOUNDATION'S PURPOSE IS TO PROVIDE FUNDING FOR THE MEDICAL RESEARCH PROGRAMS OF THREE SANTA BARBARA, CA HOSPITAL FOUNDATIONS, ALL PUBLIC CHARITIES UNDER IRC SECTION 509(A)(3)

TO FORM 990-PF, PART IX-A, LINE 1

EXPENSES

75,611.



# Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2012

Portfolio Management Active Assets Account  
248-113157-533

MR STEPHEN T FRANK TTEE  
FBO THE WILLIAM BIRDWELL CR TR

## Holdings

43-6900 293

This section reflects the impact of positions purchased/sold on a trade date basis, and will include positions purchased and omit positions sold in the current month. Please see the "Unsettled Purchases/Sales Activity" section for more information.

The "Market Value" and "Unrealized Gain/(Loss)" figures shown are representative values as of the last business day of the statement period indicated, which may not reflect the value that could actually be obtained in the market. See "Pricing of Securities" in the Expanded Disclosures. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated annual income and estimated yield for certain securities can include return of principal or capital gains which could overstate such estimates. Estimated yield and estimated annual income are estimates and the actual income or yield may be lower or higher than the estimates. Estimated yield reflects only the income generated by an investment. It does not reflect changes in its price, which may fluctuate. Structured products appear in various statement product categories and are identified as "Structured Products" in the Security Description column. Estimated accrued interest, estimated annual income and estimated yield for structured products with a contingent income feature (such as Range Accrual Notes or Contingent Income Notes) assume specified accrual conditions are met during the relevant observation period and payment in full of all contingent interest. If you hold structured products, please see "Special Considerations Regarding Structured Products" in the Disclosures.

New Treasury regulations require that we report on Form 1099-B after the close of the tax year your adjusted cost basis and classify the gain or loss as either long-term or short-term on the sale of covered securities acquired on or after January 1, 2011. These regulations also require that we make basis adjustments due to wash sales, certain corporate actions and transfers by gift or inheritance, which will be reflected on your Form 1099-B. Cost basis is reflected on monthly statements for informational purposes only and should not be used in the preparation of your income tax returns. Please refer to the Expanded Disclosures for additional information.

## CASH, DEPOSITS AND MONEY MARKET FUNDS

Cash, Deposits and Money Market Funds are generally displayed on a settlement date basis. However, Global Currency Deposits may include both settled and unsettled positions. Estimated Annual Income, Accrued Interest and APY% will only be displayed for fully settled positions. In the event, all or a portion of a Global Currency Deposit position is unsettled as of month end, this data will not be available.

Description  
CITIBANK, N.A. # Value \$86,749.79 Estimated Annual Income \$43.00 7-Day Current Yield % Annual Percentage Yield % 0.050

Estimated Annual Income  
Accrued Interest \$43.00  
\$0.00

Market Value  
\$86,749.79

Percentage of Assets %  
16.7%

## CASH, DEPOSITS AND MONEY MARKET FUNDS

# Bank Deposits are at either: (1) Morgan Stanley Bank, N.A., and Morgan Stanley Private Bank, National Association, or (2) Citibank, N.A., each a national bank, FDIC member and an affiliate of Morgan Stanley Smith Barney LLC.

## STOCKS

### COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
AGRIUM INC (AGU)	2/19/10	100,000	\$65.811	\$6,581.10	\$9,987.14	\$3,406.04 LT		
	4/1/10	30,000	70.769	2,123.06	2,996.14	873.08 LT		
	Total	130,000		8,704.16	12,983.28	4,279.12 LT	260.00	2.00
Share Price: \$99.871; Next Dividend Payable 01/17/13								
ALLERGAN INC (AGN)	3/5/10	110,000	61.840	6,802.40	10,090.30	3,287.90 LT		
	9/20/10	25,000	65.814	1,645.36	2,293.25	647.89 LT		

CONTINUED

PERSONAL ACCOUNTS

RETIREMENT ACCOUNTS

EDUCATION ACCOUNTS

TRUST ACCOUNTS

BUSINESS ACCOUNTS

# Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2012

Portfolio Management Active Assets Account  
248-113157-533

MR STEPHEN T FRANK TTEE  
FBO THE WILLIAM BIRDWELL CR TR

## Holdings

43-6900293

### STOCKS

#### COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
<i>Share Price: \$91.730; Next Dividend Payable 03/2013</i>								
APPLE INC (AAPL)	9/20/10	15,000	281.120	4,216.80	7,982.59	3,765.79 LT		
	2/1/11	10,000	345.004	3,450.04	5,321.73	1,871.69 LT		
<b>Total</b>		<b>25,000</b>		<b>7,666.84</b>	<b>13,304.32</b>	<b>5,637.48 LT</b>	<b>265.00</b>	<b>1.99</b>
<i>Share Price: \$532.173; Next Dividend Payable 02/2013</i>								
CHEVRON CORP (CVX)	3/8/10	90,000	74.377	6,693.93	9,732.60	3,038.67 LT		
	10/6/10	20,000	83.828	1,676.56	2,162.80	486.24 LT		
<b>Total</b>		<b>110,000</b>		<b>8,370.49</b>	<b>11,895.40</b>	<b>3,524.91 LT</b>	<b>396.00</b>	<b>3.32</b>
<i>Share Price: \$108.140; Next Dividend Payable 03/2013</i>								
COCA COLA CO (KO)	10/21/10	220,000	30.749	6,764.78	7,975.00	1,210.22 LT		
<i>Share Price: \$36.250; Next Dividend Payable 03/2013</i>								
COLGATE PALMOLIVE CO (CL)	6/7/10	85,000	78.424	6,666.02	8,885.90	2,219.88 LT		
	8/31/10	30,000	74.378	2,231.34	3,136.20	904.86 LT		
<b>Total</b>		<b>115,000</b>		<b>8,897.36</b>	<b>12,022.10</b>	<b>3,124.74 LT</b>	<b>285.20</b>	<b>2.37</b>
<i>Share Price: \$104.540; Next Dividend Payable 02/2013</i>								
COSTCO WHOLESALE CORP NEW (COST)	2/16/10	150,000	60.497	9,074.57	14,809.50	5,734.93 LT		
<i>Share Price: \$98.730; Next Dividend Payable 03/2013</i>								
CVS CAREMARK CORP (CVS)	2/16/10	200,000	33.356	6,671.20	9,670.00	2,998.80 LT		
	4/9/10	45,000	37.027	1,666.22	2,175.75	509.53 LT		
	8/25/10	65,000	27.971	1,818.10	3,142.75	1,324.65 LT		
<b>Total</b>		<b>310,000</b>		<b>10,155.52</b>	<b>14,988.50</b>	<b>4,832.98 LT</b>	<b>279.00</b>	<b>1.86</b>
<i>Share Price: \$48.350; Next Dividend Payable 02/2013</i>								
DEERE & CO (DE)	4/26/10	70,000	63.077	4,415.39	6,049.40	1,634.01 LT		
	5/5/10	80,000	57.430	4,594.40	6,913.60	2,319.20 LT		
<b>Total</b>		<b>150,000</b>		<b>9,009.79</b>	<b>12,963.00</b>	<b>3,953.21 LT</b>	<b>276.00</b>	<b>2.12</b>
<i>Share Price: \$86.420; Next Dividend Payable 02/01/13</i>								
DIAGEO PLC SPON ADR NEW (DEO)	9/10/10	95,000	67.783	6,439.35	11,075.10	4,635.75 LT		
	9/14/11	5,000	77.634	388.17	582.90	194.73 LT		
<b>Total</b>		<b>100,000</b>		<b>6,827.52</b>	<b>11,658.00</b>	<b>4,830.48 LT</b>	<b>277.40</b>	<b>2.37</b>

CONTINUED



# Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2012

MR STEPHEN T FRANK TTEE  
FBO THE WILLIAM BIRDWELL CR TR

Portfolio Management Active Assets Account  
248-113157-533

## Holdings

43-6900293

### STOCKS

#### COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
DU PONT EI DE NEMOURS & CO (DD) Share Price: \$44.979; Next Dividend Payable 03/2013	3/5/10	195,000	34.848	6,795.36	8,770.80	1,975.44 LT	335.40	3.82
FORD MOTOR CO NEW (F) Share Price: \$12.950; Next Dividend Payable 03/2013	10/26/10	480,000	14.420	6,921.60	6,216.00	(705.60) LT	96.00	1.54
GENERAL MILLS INC (GIS) 8/31/10 Total	5/14/10 8/31/10	190,000 50,000	36.323 36.088	6,901.45 1,804.40	7,679.80 2,021.00	778.35 LT 216.60 LT	316.80	3.26
GLAXOSMITHKLINE PLC ADS (GSK) Share Price: \$40.420; Next Dividend Payable 02/2013	12/20/11	140,000	45.248	6,334.75	6,085.80	(248.95) LT	324.66	5.33
GOOGLE INC-CL A (GOOG) 7/14/10 7/16/10 Total	7/14/10 7/16/10	9,000 10,000	492.166 470.126	4,429.49 4,701.26	6,366.42 7,073.80	1,936.93 LT 2,372.54 LT	—	—
HONEYWELL INTERNATIONAL INC (HON) Share Price: \$707.380	3/10/10	160,000	42.297	6,767.52	10,155.20	3,387.68 LT	262.40	2.58
INTEL CORP (INTC) 2/16/10 10/20/10 Total	2/16/10 10/20/10	325,000 20,000	20.739 19.666	6,740.31 393.32	6,701.50 412.40	(38.81) LT 19.08 LT	310.50	4.36
JOHNSON & JOHNSON (JNJ) Share Price: \$20.620; Next Dividend Payable 03/2013	2/16/10	345,000	7.13363	7,133.63	7,113.90	(19.73) LT	366.00	3.48
JPMORGAN CHASE & CO (JPM) Share Price: \$43.969; Next Dividend Payable 01/2013	1/14/11	215,000	44.860	9,644.94	9,453.35	(191.59) LT	258.00	2.72
KIMBERLY CLARK CORP (KMB) Share Price: \$84.430; Next Dividend Payable 01/03/13	8/31/10	135,000	64.419	8,696.52	11,398.05	2,701.53 LT	399.60	3.50
PFIZER INC (PFE) 3/11/10 3/25/11	3/11/10 3/25/11	395,000 75,000	17.187 20.458	6,788.87 1,534.35	9,906.32 1,880.95	3,117.45 LT 346.60 LT	—	—

CONTINUED

PERSONAL ACCOUNTS

RETIREMENT ACCOUNTS

EDUCATION ACCOUNTS

TRUST ACCOUNTS

BUSINESS ACCOUNTS

# Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2012

Portfolio Management Active Assets Account  
248-113157-533

MR STEPHEN T FRANK TTEE

FBO THE WILLIAM BIRDWELL CR TR

## Holdings

43-6900293

### STOCKS

#### COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
<i>Share Price: \$25.079; Next Dividend Payable 03/2013</i>								
QUALCOMM INC (QCOM)	3/8/10	175,000	38.960	6,817.98	10,825.43	4,007.45 LT	175.00	1.61
<i>Share Price: \$61.860; Next Dividend Payable 03/2013</i>								
ROYAL DUTCH SHELL PLC (RDSA)	11/2/10	100,000	67.388	6,738.84	6,895.00	156.16 LT	292.40	4.24
<i>Share Price: \$68.950</i>								
SYNGENTA AG ADR (SYT)	12/10/10	120,000	57.941	6,952.92	9,696.00	2,743.08 LT	173.40	1.78
<i>Share Price: \$80.800</i>								
<i>UNION PACIFIC CORP (UNP)</i>								
	7/13/10	60,000	72.011	4,320.66	7,543.20	3,222.54 LT		
	12/21/10	40,000	91.689	3,667.56	5,028.80	1,361.24 LT		
	Total	100,000		7,988.22	12,572.00	4,583.78 LT	276.00	2.19
<i>Share Price: \$125.720; Next Dividend Payable 01/02/13</i>								
UNITED PARCEL SERVICE INC CL-B (UPS)	12/3/10	95,000	71.688	6,810.36	7,004.35	193.99 LT	216.60	3.09
<i>Share Price: \$73.730; Next Dividend Payable 03/2013</i>								
<i>UNITEDHEALTH GP INC (UNH)</i>								
	10/21/10	125,000	36.389	4,548.64	6,780.00	2,231.36 LT		
	3/29/11	35,000	44.268	1,549.38	1,898.40	349.02 LT		
	4/21/11	45,000	47.948	2,157.68	2,440.80	283.12 LT		
	Total	205,000		8,255.70	11,119.20	2,863.50 LT	174.25	1.56
<i>Share Price: \$54.240; Next Dividend Payable 03/2013</i>								
<i>VERIZON COMMUNICATIONS (VZ)</i>								
	2/11/10	230,000	27.267	6,271.47	9,952.10	3,680.63 LT		
	5/25/10	10,000	25.389	253.89	432.70	178.81 LT		
	8/9/10	55,000	29.909	1,644.98	2,379.85	734.87 LT		
	Total	295,000		8,170.34	12,764.65	4,594.31 LT	607.70	4.76
<i>Share Price: \$43.270; Next Dividend Payable 02/2013</i>								
VODAFONE GP PLC ADS NEW (VOD)	10/13/11	285,000	27.305	7,781.90	7,179.15	(602.75) LT	427.50	5.95
<i>Share Price: \$25.190; Next Dividend Payable 02/06/13</i>								
<i>WALGREEN CO (WAG)</i>								
	2/16/10	200,000	33.860	6,771.98	7,402.00	630.02 LT	220.00	2.97
<i>Share Price: \$37.010; Next Dividend Payable 03/2013</i>								
<i>WALT DISNEY CO HLDG CO (DIS)</i>								
	2/16/11	220,000	43.460	9,561.18	10,953.80	1,392.62 LT	165.00	1.50
<i>Share Price: \$49.790; Next Dividend Payable 12/2013</i>								
<i>WASTE MGMT INC (DELA) (WM)</i>								
	5/29/12	125,000	32.988	4,123.45	4,217.50	94.05 ST	177.50	4.20
<i>Share Price: \$33.740; Next Dividend Payable 03/2013</i>								



# Morgan Stanley

CLIENT STATEMENT | For the Period December 1-31, 2012

Portfolio Management Active Assets Account  
248-113157-533

MR STEPHEN T FRANK TTEE  
FBO THE WILLIAM BIRDWELL CR TR

## Holdings

43-6900293

STOCKS	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Yield %
	63.6%	\$251,835.11	\$330,248.12	\$78,318.96 LT	\$8,480.91	2.57%
				\$94.05 ST	\$0.00	

## MUTUAL FUNDS

### OTHER MUTUAL FUNDS

"Total Purchases vs Market Value" is provided to assist you in comparing your "Total Purchases," excluding reinvested distributions, with the current value of the mutual fund positions in your account.

"Cumulative Cash Distributions" when shown, may reflect distributions on shares no longer held in the account. It may not reflect all distributions received in cash; due to but not limited to the following: investments made prior to addition of this information on statements, securities transfers, timing of recent distributions, and certain adjustments made in your account.

"Net Value Increase/ (Decrease)" reflects the difference between your total purchases, plus the cash distributions shown, and the current value of the fund's shares. This calculation is for informational purposes only and does not reflect your total unrealized gain or loss nor should it be used for tax purposes.

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
DOUBLELINE TOTAL RETURN I (DBLTX)	10/8/10	3,603.604	\$11.100	\$40,000.00	\$40,828.83	\$828.83 LT		
	11/9/10	3,577.818	11.180	40,000.00	40,536.68	536.68 LT		
	2/11/11	1,829.825	10.930	20,000.00	20,731.93	731.93 LT		
<b>Total</b>		<b>9,011.248</b>		<b>100,000.00</b>	<b>102,097.44</b>	<b>2,097.44 LT</b>	<b>6,479.00</b>	<b>6.34</b>
Total Purchases vs Market Value				100,000.00	102,097.44			
Cumulative Cash Distributions					15,430.04			
Net Value Increase/(Decrease)					17,527.48			
Share Price: \$11.330; Dividend Cash; Capital Gains Cash								

MUTUAL FUNDS	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Yield %
	19.7%	\$100,000.00	\$102,097.44	\$2,097.44 LT	\$6,479.00	6.35%
					\$0.00	

Transactions in mutual fund positions held directly at the Fund Company are not included in the total above and are not reflected on the Summary Page. For more information about the pricing of Money Market Funds, please see the Expanded Disclosures.

TOTAL MARKET VALUE	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Yield %
	100.0%	\$351,835.11	\$519,095.35	\$80,416.40 LT	\$15,002.91	2.89%
				\$94.05 ST	\$0.00	

## TOTAL VALUE (includes accrued interest)

Unrealized Gain/(Loss) totals only reflect positions that have cost basis and/or market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

\$519,095.35

43-6900293

STEPHEN FRANK TTEE

Account Number: 68Q-10839

24-Hour Assistance: (800) MERRILL  
Access Code: 39-684-10839

ACCOUNT INVESTMENT OBJECTIVE

September 29, 2012 - December 31, 2012

TOTAL RETURN: Objective is to strike a balance between fixed-income instruments for current income and equities for growth. Despite the relatively balanced nature of the portfolio, the investor should be willing to assume the risk of price volatility and principal loss.

If you have changes to your investment objective, please contact your Financial Advisor(s).

YOUR INDIVIDUAL INVESTOR ACCOUNT ASSETS

CASH/MONEY ACCOUNTS		Quantity		Total Cost Basis		Estimated Market Price		Estimated Market Value		Estimated Annual Income		Estimated Annual Yield%	
Description													
CASH			236.11		236.11				236.11				

EQUITIES		Quantity		Total Cost Basis		Estimated Market Price		Estimated Market Value		Unrealized Gain/(Loss)		Estimated Annual Yield%	
Description	Symbol	Acquired											
FRAC MARRIOTT INTL CL A		12/16/09	67,518	0.0002	18.22	0.0003	N/A	N/A	N/A	N/A			
TOTAL					18.22		(18.22)						

MUTUAL FUNDS/CLOSED END FUNDS/UIT		Quantity		Total Cost Basis		Estimated Market Price		Estimated Market Value		Unrealized Gain/(Loss)		Total Check Investment		Cumulative Investment Return (\$)		Estimated Annual Yield%	
Description																	
PIMCO GLOBAL MULT ASSET FUND CL C			1,987		22,223.05	11,3300	22,512.71	289.66	18,643	3,869	122	.53					
SYMBOL: PGMCX Initial Purchase: 01/29/10																	
Alternative Investments 100%																	
7410 Fractional Share																	

PIMCO STOCKSPUS TOTAL RETURN FUND CL C		Quantity		Total Cost Basis		Estimated Market Price		Estimated Market Value		Unrealized Gain/(Loss)		Total Check Investment		Cumulative Investment Return (\$)		Estimated Annual Yield%	
Description																	
PIMCO STOCKSPUS TOTAL RETURN FUND CL C			914		6,952.73	8,6100	7,969.54	906.81	6,317	1,552	557	7.07					
SYMBOL: PSOXY Initial Purchase: 11/06/11																	
Equity 100%																	
3450 Fractional Share																	

PIMCO EOS PATHFINDER FUND CLASS C		Quantity		Total Cost Basis		Estimated Market Price		Estimated Market Value		Unrealized Gain/(Loss)		Total Check Investment		Cumulative Investment Return (\$)		Estimated Annual Yield%	
Description																	
PIMCO EOS PATHFINDER FUND CLASS C			1,251		13,116.94	10,2100	12,772.71	(344.23)	13,039	(266)	17	.12					



Account Number: 68Q-10839

43-6900293

YOUR INDIVIDUAL INVESTOR ACCOUNT ASSETS

September 29, 2012 - December 31, 2012

MUTUAL FUNDS/CLOSED END FUNDS/UIT Description	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Total Client Investment	Cumulative Investment Return (\$)	Estimated Annual Current Income	Current Yield%
SYMBOL: PTHCX Initial Purchase:02/18/11									
Equity 100%									
.4590 Fractional Share		4.38	10.2100	4.69	.31			1	12
PIMCO FUNDAMENTAL INDEXPLUS TR FD CL C									
SYMBOL: PIXCX Initial Purchase:02/18/11	2,976	16,812.22	5.4900	16,338.24	(473.98)	12,609	3,728	2,295	14.04
Equity 100%									
.8490 Fractional Share		4.63	5.4900	4.66	.03			1	14.04
PIMCO ALL ASSET ALL AUTHORITY FUND CL C									
SYMBOL: PAUCX Initial Purchase:10/27/10	2,223	24,335.81	11.0300	24,519.69	183.88	21,102	3,416	938	3.82
Alternative Investments 100%									
.2440 Fractional Share		2.70	11.0300	2.69	(0.01)			1	3.82
PIMCO SMALL CAP STOCKPLUS TR FD CL C									
SYMBOL: PCKCX Initial Purchase:02/18/11	578	4,341.16	7.6400	4,415.92	74.76	3,767	648	307	6.93
Equity 100%									
.3240 Fractional Share		2.44	7.6400	2.48	.04			1	6.93
PIMCO INCOME FUND CL C									
SYMBOL: PONCX Initial Purchase:11/07/11	1,289	14,373.10	12.3600	15,932.04	1,558.94	13,154	2,777	702	4.40
Fixed Income 100%									
.6970 Fractional Share		8.62	12.3600	8.61	(0.01)			1	4.40
PIMCO TOTAL RETURN FD CL C									
SYMBOL: PTTCC Initial Purchase:01/29/10	1,574	17,281.80	11.2400	17,691.76	409.96	14,833	2,858	370	2.09
Equity 100%									
.1		N/A	11.2400	11.24	N/A			1	2.09

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43-6900293

Account Number: 68Q-10839  
 24-Hour Assistance: (800) MERRILL  
 Access Code: 39-684-10839

SEPTEMBER 29, 2012 - DECEMBER 31, 2012

YOUR INDIVIDUAL INVESTOR ACCOUNT ASSETS

MUTUAL FUNDS/CLOSED END FUNDS/UIT (continued)	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Total Client Investment	Cumulative Investment Return (\$)	Estimated Annual Current Income Yield%
Fixed Income 100%								
.6400 Fractional Share	7.19	11.2400	7.19					1 2.09
Subtotal (Fixed Income)				33,650.84				
Subtotal (Equities)				41,411.22				
Subtotal (Alternative Investments)				47,043.49				
<b>TOTAL</b>		119,488.08	122,105.55	2,606.23	18,582	5,317	4.35	

**Total Client Investment:** Cost of shares directly purchased and still held. Does not include shares purchased through reinvestment.  
**Cumulative Investment Return:** Estimated Market Value minus Total Client Investment. Cumulative Investment Return is the dollar value of the capital appreciation (depreciation) of all shares purchased and still held, including shares acquired through reinvestment of dividends and distributions, which may be greater or less than the actual income distributed.

**Market Timing:** Merrill Lynch's policies prohibit mutual fund market timing, which involves the purchase and sale of mutual fund shares within short periods of time with the intention of capturing short-term profits resulting from market volatility. Market timing may result in lower returns for long-term fund shareholders because market timers capture short-term gains that would otherwise pass to all shareholders and due to increased transaction costs and fewer assets for investment due to the need to retain cash to satisfy redemptions.

LONG PORTFOLIO	Adjusted/Total Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Accrued Interest	Estimated Annual Income	Current Yield%
<b>TOTAL</b>	119,742.41	122,341.66	2,588.01	5,317	4.35	

Total values exclude N/A items  
 \*Cost basis has been adjusted by the deferred loss amount from a previous "Wash Sale" and the acquisition date has been adjusted to include the holding period of the lot closed by that previous "Wash Sale".

YOUR INDIVIDUAL INVESTOR ACCOUNT TRANSACTIONS

DIVIDENDS/INTEREST INCOME TRANSACTIONS	Date	Transaction Type	Quantity	Description	Reinvestment	Income	Year To Date
	10/02	* Dividend		PIMCO INCOME FUND CL C		57.39	

