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

2012

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

For calendar year 2012 or tax year beginning

, and ending

Name of foundation

Lance Robert McLendon Foundation

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

10 Innisbrook Lane

City or town, state, and ZIP code

Shoal Creek, AL 35242

G Check all that apply:

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

H Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundationI Fair market value of all assets at end of year **J Accounting method:**  Cash  Accrual  
(from Part II, col (c), line 16)  Other (specify) **► \$ 1,181,350.** (Part I, column (d) must be on cash basis)

A Employer identification number

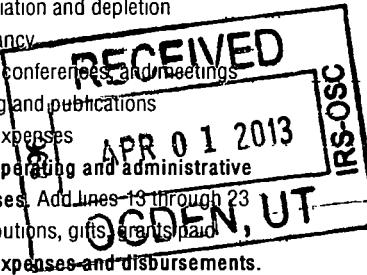
63-1269799

B Telephone number

205-991-1050

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 ► **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))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received	136,854.		N/A	
2	Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B Interest on savings and temporary cash investments				
3		58.	58.		Statement 1
4	Dividends and interest from securities	25,365.	25,365.		Statement 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10 Gross sales price for all assets on line 6a	37,549.			
b					
7	Capital gain net income (from Part IV, line 2)		37,549.		
8	Net short-term capital gain				
9	Income modifications Gross sales less returns and allowances				
10a					
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total Add lines 1 through 11	199,826.	62,972.		
13	Compensation of officers, directors, trustees, etc	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees Stmt 3	1,725.	1,725.		0.
c	Other professional fees Stmt 4	3,005.	3,005.		0.
17	Interest				
18	Taxes Stmt 5	1,102.	1,102.		0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses				
24	Total operating and administrative expenses. Add lines 13 through 23	5,832.	5,832.		0.
25	Contributions, gifts, grants, etc., received OCDEN, UT	72,000.			72,000.
26	Total expenses and disbursements. Add lines 24 and 25	77,832.	5,832.		72,000.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	121,994.			
b	Net investment income (if negative, enter -0-)		57,140.		
c	Adjusted net income (if negative, enter -0-)			N/A	

SCANNED APR 04 2013  
Operating and Administrative Expenses

Assets	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
			344,634.	114,659.	114,659.
	1 Cash - non-interest-bearing				
	2 Savings and temporary cash investments				
	3 Accounts receivable ►				
	Less: allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons				
	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 Stmt 6		597,970.	949,939.	1,066,691.
	c Investments - corporate bonds				
	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment: basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ► )				
	16 Total assets (to be completed by all filers)		942,604.	1,064,598.	1,181,350.
Liabilities	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	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 ► <input type="checkbox"/>				
	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 ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds		0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds		942,604.	1,064,598.	
	30 Total net assets or fund balances		942,604.	1,064,598.	
	31 Total liabilities and net assets/fund balances		942,604.	1,064,598.	

## 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	942,604.
2 Enter amount from Part I, line 27a	2	121,994.
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	1,064,598.
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	1,064,598.

**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.)
<b>1a Wells Fargo #4655-7506</b>			P		
<b>b Wells Fargo #4655-7506</b>			P		
<b>c Wells Fargo #4655-7506</b>			P		
<b>d Wells Fargo #4655-7506</b>			P		
<b>e Wells Fargo #4655-7506</b>			P		
(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)		
<b>a 92,075.</b>		<b>91,507.</b>			<b>568.</b>
<b>b 75,000.</b>		<b>75,000.</b>			<b>0.</b>
<b>c 33,568.</b>		<b>27,531.</b>			<b>6,037.</b>
<b>d 91,608.</b>		<b>71,074.</b>			<b>20,534.</b>
<b>e 96,709.</b>		<b>86,299.</b>			<b>10,410.</b>
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
<b>a</b>					<b>568.</b>
<b>b</b>					<b>0.</b>
<b>c</b>					<b>6,037.</b>
<b>d</b>					<b>20,534.</b>
<b>e</b>					<b>10,410.</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>37,549.</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.)

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	<b>63,416.</b>	<b>964,733.</b>	<b>.065734</b>
2010	<b>47,509.</b>	<b>747,262.</b>	<b>.063577</b>
2009	<b>48,082.</b>	<b>645,833.</b>	<b>.074450</b>
2008	<b>55,087.</b>	<b>733,633.</b>	<b>.075088</b>
2007	<b>55,595.</b>	<b>903,735.</b>	<b>.061517</b>
2			<b>.340366</b>
3			<b>.068073</b>
4			<b>1,078,842.</b>
5			<b>73,440.</b>
6			<b>571.</b>
7			<b>74,011.</b>
8			<b>72,000.</b>

2 Total of line 1, column (d)

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

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5

5 Multiply line 4 by line 3

6 Enter 1% of net investment income (1% of Part I, line 27b)

7 Add lines 5 and 6

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.

<b>Part VI</b> <b>Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)</b>	
1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1.
Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
3	Add lines 1 and 2
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-
6 Credits/Payments:	
6a	2012 estimated tax payments and 2011 overpayment credited to 2012
6b	Exempt foreign organizations - tax withheld at source
6c	Tax paid with application for extension of time to file (Form 8868)
6d	Backup withholding erroneously withheld
7	Total credits and payments. Add lines 6a through 6d
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>
11	Enter the amount of line 10 to be: <b>Credited to 2013 estimated tax</b> ► <b>Refunded</b> ► <b>11</b>

**Part VII-A** **Statements Regarding Activities**

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	<b>Yes</b>	<b>No</b>
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1c	Did the foundation file Form 1120-POL for this year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ <u>0.</u> (2) On foundation managers. ► \$ <u>0.</u>			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>0.</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>AL</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G?</i> <i>If "No," attach explanation</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	<b>Stmt 7</b>	<b>10</b> <input checked="" type="checkbox"/>

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

11		X
12		X
13	X	
Website address ► <b>N/A</b>		
14	The books are in care of ► <b>Benson R. McLendon</b> Located at ► <b>104 Inverness Center Place, Birmingham, AL</b>	Telephone no. ► <b>205-991-1050</b> ZIP+4 ► <b>35242</b>
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	
16	► <b>15</b> See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	Yes No <b>X</b>

**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 <b>any</b> 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)?	<b>N/A</b>	
Organizations relying on a current notice regarding disaster assistance check here	► <input type="checkbox"/>	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1c <input checked="" type="checkbox"/> 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(i)(3) or 4942(i)(5));		
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 ► _____, _____, _____, _____		
b Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement - see instructions.)	<b>N/A</b>	
c If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. ► _____, _____, _____, _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If "Yes," did it have excess business holdings in 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)	<b>N/A</b>	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	3b <input type="checkbox"/>	
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4a <input checked="" type="checkbox"/> X 4b <input type="checkbox"/> 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)?

N/A

5b



Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

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

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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

N/A

7b

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

**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
Benson R. McLendon 10 Innisbrook Lane Shoal Creek, AL 35242	President 0.00	0.	0.	0.
Amy M. McLevaine 1040 Blue Heron Point Birmingham, AL 35242	Vice President 0.00	0.	0.	0.
Joan G. McLendon 10 Innisbrook Lane Shoal Creek, AL 35242	Secretary & Treasurer 0.00	0.	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 N/A	
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	
All other program-related investments. See instructions.	
3	
<b>Total. Add lines 1 through 3</b>	<b>► 0.</b>

**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	800,059.
b	Average of monthly cash balances	1b	295,212.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	1,095,271.
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	1,095,271.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	16,429.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,078,842.
6	<b>Minimum investment return</b> Enter 5% of line 5	6	53,942.

**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	53,942.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	1,143.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,143.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	52,799.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	52,799.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	52,799.

**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	72,000.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	72,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	<b>Adjusted qualifying distributions</b> Subtract line 5 from line 4	6	72,000.

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				52,799.
2 Undistributed income, if any, as of the end of 2012			0.	
a Enter amount for 2011 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007	14,218.			
b From 2008	18,541.			
c From 2009	16,026.			
d From 2010	11,954.			
e From 2011	12,659.			
f Total of lines 3a through e	73,398.			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 72,000.			0.	
a Applied to 2011, but not more than line 2a				
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				52,799.
e Remaining amount distributed out of corpus	19,201.			
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:	92,599.			
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 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	14,218.			
9 Excess distributions carryover to 2013 Subtract lines 7 and 8 from line 6a	78,381.			
10 Analysis of line 9:				
a Excess from 2008	18,541.			
b Excess from 2009	16,026.			
c Excess from 2010	11,954.			
d Excess from 2011	12,659.			
e Excess from 2012	19,201.			

**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		► <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 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		Prior 3 years				
		(a) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
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).)

See Statement 8

**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:

See Statement 9

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

**c Any submission deadlines:**

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

## Part XV Supplementary Information (continued)

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

Recipient 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
<b>a Paid during the year</b>				
Campus Outreach PO Box 43591 <u>Birmingham, AL 35243</u>		Religious	General Fund	10,000.
Crohn's & Colitis Foundation of America 244 Goodwin Crest Dr <u>Birmingham, AL 35209</u>		Public Charity	General Fund	10,000.
Troy University Foundation <u>Troy, AL 36082</u>		Public Charity	General Fund	47,000.
Farmhouse Foundation 7306 NW Tiffany Springs Pkwy <u>Kansas City, MO 64153</u>		Public Charity	General Fund	2,500.
Hand in Paw 1912 14th Ave South <u>Birmingham, AL 35205</u>		Public Charity	General Fund	2,500.
<b>Total</b>				► 3a 72,000.
<b>b Approved for future payment</b>				
None				
<b>Total</b>				► 3b 0.

## Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion 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					
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		62,972.	0.
13 Total. Add line 12, columns (b), (d), and (e) (See worksheet in line 13 instructions to verify calculations.)				13	62,972.

## **Relationship of Activities to the Accomplishment of Exempt Purposes**



## Schedule B (Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

Department of the Treasury  
Internal Revenue Service

## Schedule of Contributors

► Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

2012

**Name of the organization**

**Employer identification number**

Lance Robert McLendon Foundation

63-1269799

**Organization type (check one)**

**Filers of:** \_\_\_\_\_ **Section:** \_\_\_\_\_

**Form 990 or 990-EZ**

- 501(c)( ) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization
- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

## General Rule

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

## Special Rules

- For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not total to more than \$1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ► \$ \_\_\_\_\_

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

**LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2012)**

Name of organization

Lance Robert McLendon Foundation

Employer identification number

63-1269799**Part I Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Mr. & Mrs. Benson R. McLendon 10 Innisbrook Lane Shoal Creek, AL 35242	\$ 136,854.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

Lance Robert McLendon Foundation

Employer identification number

63-1269799

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

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	<u>Various securities - see attached statement</u>	\$ <u>136,854.</u>	<u>11/05/12</u>
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

**Name of organization**

**Employer identification number**

Lance Robert McLendon Foundation

63-1269799

### Part III

**Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively religious, charitable, etc., contributions of \$1,000 or less for the year.* (Enter this information once) ► \$ \_\_\_\_\_

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<p style="text-align: center;"><b>(e) Transfer of gift</b></p> <p><b>Transferee's name, address, and ZIP + 4</b></p>		
	<p><b>Relationship of transferor to transferee</b></p>		
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<p style="text-align: center;"><b>(e) Transfer of gift</b></p> <p><b>Transferee's name, address, and ZIP + 4</b></p>		
	<p><b>Relationship of transferor to transferee</b></p>		
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<p style="text-align: center;"><b>(e) Transfer of gift</b></p> <p><b>Transferee's name, address, and ZIP + 4</b></p>		
	<p><b>Relationship of transferor to transferee</b></p>		
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<p style="text-align: center;"><b>(e) Transfer of gift</b></p> <p><b>Transferee's name, address, and ZIP + 4</b></p>		
	<p><b>Relationship of transferor to transferee</b></p>		
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<p style="text-align: center;"><b>(e) Transfer of gift</b></p> <p><b>Transferee's name, address, and ZIP + 4</b></p>		
	<p><b>Relationship of transferor to transferee</b></p>		

## Lance Robert McLendon Foundation

## 2012 Donations

Security	Purchase Date	# Shares	Cost basis	Value of Transfer
American Express	6/29/2011	500	\$24,987.75	\$28,180.00
BHP Billiton	6/29/2011	300	\$27,877.89	\$21,579.00
BHP Billiton	11/22/2011	100	\$6,924.60	\$7,193.00
Coca-Cola	11/22/2011	500	\$16,504.00	\$18,385.00
Home Depot	11/22/2011	500	\$18,578.00	\$31,190.00
Travelers Cos	8/21/2012	500	\$32,503.40	\$34,555.00
American Express Calls	5/3/2012	-5	-\$1,449.96	-\$50.00
BHP Billiton Calls	5/3/2012	-4	-\$1,604.08	-\$268.00
Coca-Cola Calls	7/10/2012	-5	-\$484.97	-\$60.00
Home Depot Calls	4/19/2012	-5	-\$1,139.60	-\$3,850.00

136,854.00

## Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

Source	Amount
Wells Fargo #4655-7506	58.
Total to Form 990-PF, Part I, line 3, Column A	58.

## Form 990-PF Dividends and Interest from Securities Statement 2

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
Wells Fargo #4655-7506	25,365.	0.	25,365.
Total to Fm 990-PF, Part I, ln 4	25,365.	0.	25,365.

## Form 990-PF Accounting Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting fees	1,725.	1,725.		0.
To Form 990-PF, Pg 1, ln 16b	1,725.	1,725.		0.

## Form 990-PF Other Professional Fees Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Advisory fees	3,005.	3,005.		0.
To Form 990-PF, Pg 1, ln 16c	3,005.	3,005.		0.

Form 990-PF

Taxes

Statement 5

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Income taxes	1,102.	1,102.		0.
To Form 990-PF, Pg 1, ln 18	1,102.	1,102.		0.

Form 990-PF

Corporate Stock

Statement 6

Description	Book Value	Fair Market Value
Investments	949,939.	1,066,691.
Total to Form 990-PF, Part II, line 10b	949,939.	1,066,691.

Form 990-PF

List of Substantial Contributors  
Part VII-A, Line 10

Statement 7

Name of Contributor

Address

Mr. &amp; Mrs. Benson R. McLendon

10 Innisbrook Lane  
Shoal Creek, AL 35242

Form 990-PF

Part XV - Line 1a  
List of Foundation Managers

Statement 8

Name of Manager

Benson R. McLendon  
Joan G. McLendon

Form 990-PF

Grant Application Submission Information  
Part XV, Lines 2a through 2d

Statement 9

## Name and Address of Person to Whom Applications Should be Submitted

Benson R. McLendon  
104 Inverness Ctr Pl  
Birmingham, AL 35242

## Telephone Number

205-991-1050

## Form and Content of Applications

Applications should be in written form and include information regarding the purpose of the application and the entity making the application.

## Any Submission Deadlines

None

## Restrictions and Limitations on Awards

None



## 2012 ENHANCED SUMMARY

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Account Number: 4655-7506  
Command Account Number: 9083571671  
LANCE ROBERT MCLENDON  
FOUNDATION

### Realized Gain/Loss

This information is provided for courtesy purposes only. Each individual taxpayer should consult with a Tax Advisor as to any additional reporting requirements or adjustments. **THIS INFORMATION IS NOT VERIFIED OR GUARANTEED BY FIRST CLEARING, LLC TO BE ACCURATE FOR EACH TAXPAYER'S UNIQUE REPORTING REQUIREMENTS. THEREFORE, YOU SHOULD NEVER ASSUME THIS STATEMENT IS ACCURATE IN LIEU OF COMPLETING YOUR TAX RETURN AND CONSULTING WITH YOUR TAX ADVISOR.**

Federal tax reporting requirements will create differences between the information presented here and what appears on your Form 1099-B, including but not limited to the following situations:

- \* Options activity is not reportable on the Form 1099-B, but is included in a separate section of the Realized Gain/Loss Statement. Since options activity may, in some circumstances, be reportable on some clients' tax returns, we have included that information below.
- \* Cost basis for many fixed income tax lots has been amortized (for securities purchased at a premium) or accreted (for securities purchased at a discount), when possible, for applicable securities. For securities that were purchased at an Original Issue Discount (OID), only those positions whose cost basis has been adjusted will reflect the impacts of the OID accruals on the original cost basis. The original issue discount amount reported on your Form 1099-OID is not adjusted for market discount, acquisition premium or bond premium. Therefore, the amortization and accretion adjustments used on this statement may not be consistent with the Form 1099-OID amount because the reporting requirements on the Form 1099-OID are different.

\* The Original Price represents the unadjusted price of the security. The Original Price can be used to calculate the original unadjusted cost of the security.

\* Long-term capital gains reported by a RIC or REIT appear on Form 1099-DIV only, as noted in the instructions for that form.

\* Lots closed due to transfers or journals will not be reflected in the Realized Gain/Loss Statement, or on the Form 1099-B.

### REALIZED GAIN/LOSS SUMMARY

	COVERED SECURITIES	NONCOVERED SECURITIES	TOTAL
Short term	\$587.96	\$10,409.20	\$10,977.16
Long term	\$6,036.68	\$20,534.39	\$26,571.07
Unknown term		\$0.00	\$0.00
Index options		\$0.00	\$0.00
<b>Total - Realized Gain/Loss</b>	<b>\$6,604.64</b>	<b>\$30,943.59</b>	<b>\$37,548.23</b>

## 2012 ENHANCED SUMMARY

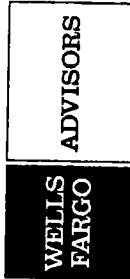
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Account Number 4655-7506  
 Command Account Number 9083571671  
 LANCE ROBERT MCLENDON  
 FOUNDATION

### Realized Gain/Loss

#### Realized Gain/Loss Detail

<b>SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES</b>						
Description	Share Quantity	Adjusted Price/Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost
AMERICAN EXPRESS COMPANY CUSIP 025816109	500,00000	56.3600	11/05/12	11/06/12	28,341.87	28,180.00
BHP BILLITON LTD SPON ADR CUSIP 088606108	400,00000	71.9300	11/05/12	11/06/12	29,028.87	28,772.00
TRAVELERS COS INC/ THE CUSIP 89417E109	500 00000	69.1100	11/05/12	11/06/12	34,704.22	34,555.00
<b>TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES</b>					<b>\$92,074.96</b>	<b>\$91,507.00</b>
<b>SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES</b>						
Description	Share Quantity	Adjusted Price/Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost
TEXAS CAPITAL BANK NA CD DALLAS TX ACT/365 FDIC INSURED CPN 0 400% DUE 01/30/12 DTD 12/28/11 FC 01/30/12 CUSIP 88224PHS1	75,000.00000	100.0000	12/21/11	01/30/12	75,000.00	75,000.00
<b>TOTAL SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES</b>					<b>\$75,000.00</b>	<b>\$75,000.00</b>
<b>LONG TERM GAINS OR LOSSES FOR COVERED SECURITIES</b>						
Description	Share Quantity	Adjusted Price/Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost
KIMBERLY-CLARK CORP CUSIP 494368103	400,00000	64.7265	02/24/11	12/04/12	31,099.31B	25,890.60
PHILLIPS 66 CUSIP 718546104	50.00000	32.8093	11/08/11	11/21/12	2,468.44	1,640.47
<b>TOTAL LONG TERM GAINS OR LOSSES FOR COVERED SECURITIES</b>					<b>\$33,567.75</b>	<b>\$27,531.07</b>
						<b>\$6,036.68</b>



## 2012 ENHANCED SUMMARY

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Account Number: 4655-7506  
Command Account Number: 9083571671  
LANCE ROBERT MCLENDON  
FOUNDATION

### Realized Gain/Loss

<b>LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES</b>						
Description	Share Quantity	Adjusted Price/ Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost
ABBOTT LABORATORIES CUSIP 002824100	400 00000	55.3155	01/22/10	10/10/12	25,239.44 <sup>B</sup>	22,126.20
	200,00000	52.4063	04/13/10	10/10/12	12,619.72 <sup>B</sup>	10,481.26
<b>Subtotal</b>	<b>600,00000</b>				<b>37,859.16</b>	<b>32,607.46</b>
INTEL CORP CUSIP 458140100	1,200 00000	18.7469	07/20/09	02/08/12	32,249.38	22,496.28
	300,00000	20.0400	11/18/09	02/08/12	8,062.34	6,012.00
	500,00000	19.9160	02/02/10	02/08/12	13,437.25	9,958.00
<b>Subtotal</b>	<b>2,000,00000</b>				<b>53,748.97</b>	<b>38,466.28</b>
<b>TOTAL LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES</b>					<b>\$91,608.13</b>	<b>\$71,073.74</b>
						<b>\$20,534.39</b>

### Option Activity Gain/Loss Detail for Year

<b>SHORT TERM OPTIONS</b>						
Description	Share Quantity	Adjusted Price/ Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost
C ABT 051912 57 50	-6 00000	1 1400	11/08/11 03/20/12	03/21/12	683.99	1,920.00
C AXP 011913 65	-5 00000	0.1050	11/05/12 11/06/12	11/07/12	52.50	60.02
C BHP 011913 80	-4.00000	0.6700	11/05/12 11/06/12	11/07/12	268.00	320.02
C COP1 011913 72 50	-7 00000	7 3086	11/08/11 11/21/12	11/23/12	5,115.92	6,300.03
C CSCCO 011913 21	-20.00000	0.5100	08/28/12 11/15/12	11/16/12	1,019.90	60.08
C CSCO 042112 17	-20.00000	1.4500	09/20/11 02/06/12	02/07/12	2,899.94	6,560.00
						-3,660.06

## 2012 ENHANCED SUMMARY

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Account Number: 4655-7506  
 Command Account Number: 9083571671  
 LANCE ROBERT MCLENDON  
 FOUNDATION

### Realized Gain/Loss

SHORT TERM OPTIONS		Continued	Share Quantity	Adjusted Price/ Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
C CSCCO 102012 20			-20.00000	1.8500	02/06/12 08/28/12	08/29/12	3,699.93	680.08	3,019.85
C CVX 011913 95			-4.00000	13.2000	11/29/11 11/06/12	11/07/12	5,279.90	5,960.02	-680.12
C EMR 061612 50			-8.00000	2 1700	01/09/12 04/23/12	04/24/12	1,735.97	1,240.00	495.97
C EMR 122212 55			-8.00000	1.5500	04/23/12 10/24/12	10/25/12	1,239.97	32.03	1,207.94
C GIS 011913 41			-10.00000	0.4700	08/28/12 11/15/12	11/16/12	469.95	340.04	129.91
C GIS 051912 39			-10.00000	0.5200	03/20/12 04/23/12	04/24/12	519.99	280.00	239.99
C GIS 072112 39			-10.00000	0.7800	04/23/12 05/23/12	05/24/12	779.98	610.04	169.94
C GIS 102012 40			-10.00000	0 7000	05/23/12 08/28/12	08/29/12	699.94	410.04	289.90
C HD 011913 55			-5.00000	7 5400	11/05/12 11/15/12	11/16/12	3,770.00	3,300.02	469.98
C IBM 011913 180			-3.00000	19.0000	12/28/11 11/06/12	11/07/12	5,699.89	5,100.01	599.88
C INTC 02/1613 23			-10.00000	0 5900	11/01/12 12/05/12	12/06/12	589.95	90.04	499.91
C INTC 072112 25			-20 00000	1 7300	11/08/11 02/08/12	02/09/12	3,459.93	5,380.00	-1,920.07
C JNJ 04/2112 67 50			-4 00000	1.3100	11/08/11 02/06/12	02/07/12	523.99	144.00	379.99
C JNJ 07/2112 70			-4.00000	0.3600	02/06/12 05/23/12	05/24/12	144.00	24.02	119.98



## 2012 ENHANCED SUMMARY

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Account Number: 4655-7506  
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LANCE ROBERT MCLENDON  
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### Realized Gain/Loss

<b>SHORT TERM OPTIONS</b>	<i>Continued</i>	Share Quantity	Adjusted Price/Original Price	Open Date/Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/Original Cost	Gain or Loss Amount
C JNJ 102012 65	-4 00000	1 2000	05/23/12 07/31/12	08/01/12	479.97	1,740.02	-1,260.05	
C JNJ 102012 72 50	-4.00000	0.0600	05/23/12 07/31/12	08/01/12	23.98	124.02	-100.04	
CKO 011913 40	-5.00000	0.1150	11/05/12 11/21/12	11/23/12	57.50	35.02	22.48	
CLW 072112 26	-12.00000	1.6100	12/28/11 05/23/12	05/24/12	1,931.96	1,548.05	383.91	
CLW 102012 27	-12.00000	1.5000	05/23/12 08/28/12	08/29/12	1,799.91	2,040.05	-240.14	
CLUV 122212 8	-30 00000	0.9000	05/10/12 10/24/12	10/25/12	2,699.94	2,850.12	-150.18	
CMCD 011913 90	-4 00000	3.1500	07/30/12 11/06/12	11/07/12	1,259.95	404.02	855.93	
CMMM 011913 90	-5 00000	5.2000	07/30/12 11/06/12	11/07/12	2,599.92	1,275.02	1,324.90	
CMMM 042112 82.50	-5 00000	4.4500	11/08/11 02/06/12	02/07/12	2,224.96	3,000.00	-775.04	
CMMM 072112 85	-5 00000	5.7000	02/06/12 05/10/12	05/11/12	2,849.95	2,000.00	849.95	
CMMM 102012 87 50	-5.00000	4 0000	05/10/12 07/30/12	07/31/12	1,999.96	2,725.02	-725.06	
CMMSFT 102012 28	-15 00000	1 1200	12/22/11 07/31/12	08/01/12	1,679.97	3,150.06	-1,470.09	
C NEM 122212 50	-7.00000	2 4400	08/28/12 11/06/12	11/07/12	1,707.93	903.03	804.90	
C PEP 011913 67 50	-6.00000	3.5000	12/28/11 11/06/12	11/07/12	2,099.96	1,446.02	653.94	

## 2012 ENHANCED SUMMARY

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Account Number: 4655-7506  
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### Realized Gain/Loss

SHORT TERM OPTIONS		Continued	Share Quantity	Adjusted Price/Original Price	Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/Original Cost	Gain or Loss Amount
C PG 011913 67 50	-2.00000	2.2500	04/23/12 11/06/12	04/23/12 11/06/12	11/07/12		449.99	448.01	1.98
C PG 042112 67.50	-6.00000	1.0600	11/08/11 02/06/12	11/08/11 02/06/12	02/07/12		635.99	126.00	509.99
C PG 072112 70	-6 00000	0.2700	02/06/12 05/23/12	02/06/12 05/23/12	05/24/12		162.00	36.02	125.98
C PG 102012 72 50	-6.00000	0.1200	05/23/12 08/28/12	05/23/12 08/28/12	08/29/12		71.98	24.02	47.96
C SLB 021613 80	-5.00000	2.7500	09/06/12 11/12/12	09/06/12 11/12/12	11/23/12		1,374.95	240.02	1,134.93
C SLB 051912 75	-5.00000	6.4500	11/29/11 02/06/12	11/29/11 02/06/12	02/07/12		3,224.94	3,725.00	-500.06
C SLB 081812 77.50	-5 00000	7.8000	02/06/12 05/31/12	02/06/12 05/31/12	06/01/12		3,899.93	180.02	3,719.91
C SLB 111712 77.50	-5 00000	1.3600	05/31/12 09/06/12	05/31/12 09/06/12	09/07/12		679.96	835.02	-155.06
C SYY 011913 30	-15.00000	1.3000	11/08/11 11/15/12	11/08/11 11/15/12	11/16/12		1,949.96	930.06	1,019.90
C UTX 021613 80	-3.00000	4.0500	09/06/12 11/21/12	09/06/12 11/21/12	11/23/12		1,214.96	504.01	710.95
C UTX 081812 77 50	-3.00000	3.3000	05/10/12 05/31/12	05/10/12 05/31/12	06/01/12		989.98	558.01	431.97
C UTX 111712 77 50	-3.00000	3 4000	05/31/12 09/06/12	05/31/12 09/06/12	09/07/12		1,019.97	1,170.01	-150.04
C WMT 061612 60	-10 00000	2.2100	11/08/11 04/23/12	11/08/11 04/23/12	04/24/12		2,209.96	1,110.00	1,099.96
C WMT 122212 62 50	-10 00000	1.6400	04/23/12 11/21/12	04/23/12 11/21/12	11/23/12		1,639.96	6,350.04	-4,710.08

## 2012 ENHANCED SUMMARY

Account Number: 4655-7506  
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 LANCE ROBERT MCLENDON  
 FOUNDATION

### Realized Gain/Loss

<b>SHORT TERM OPTIONS</b>		<i>Continued</i>	Share Quantity	Adjusted Price/ Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
P ADP 05191245	-8 00000	0.8000	12/28/11 01/23/12	01/24/12	639 99			320.00	319.99
P ADP 08181245	-8.00000	0.8000	02/08/12 04/02/12	04/03/12	639 99			320.00	319.99
P AXP 0191340	-10.00000	1.0500	05/14/12 07/19/12	07/20/12	1,049 98			590.04	459.94
P EMR 03171240	-8.00000	1.2000	11/15/11 01/05/12	01/06/12	959 98			480.00	479.98
P INTC 07211225	-10.00000	0.4600	05/10/12 06/12/12	06/13/12	459 99			450.04	9.95
P INTC 10201225	-10.00000	1.1800	06/12/12 07/30/12	07/31/12	1,179.93			840.04	339.89
P KO 08181260	-6 00000	1.2700	01/09/12 03/20/12	03/21/12	761 99			264.00	497.99
P MCD 12221275	-5 00000	1.5300	05/31/12 07/10/12	07/11/12	764.96			360.02	404.94
P NEM 12221235	-10.00000	1 3800	05/31/12 07/30/12	07/31/12	1,379 93			820.04	559.89
P PPG 05191260	-7 00000	1.6000	11/15/11 01/09/12	01/10/12	1,119.98			455.00	664.98
P SLB 05191260	-5.00000	3.6000	12/08/11 01/23/12	01/24/12	1,799 97			680.00	1,119.97
P SLB 08181260	-5 00000	2 6400	01/23/12 06/12/12	06/13/12	1,319 97			1,190.02	129.95
P SLB 1117125250	-5 00000	2.3400	06/12/12 07/19/12	07/20/12	1,169 95			350.02	819.93
P TGT 04211245	-8 00000	0 7600	12/28/11 01/23/12	01/24/12	607 99			504.00	103.99

## 2012 ENHANCED SUMMARY

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Account Number 4655-7506  
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### Realized Gain/Loss

<b>SHORT TERM OPTIONS</b>		<i>Continued</i>	Share Quantity	Adjusted Price/ Original Price	Open Date/ Acquisition Date	Date of Sale or Exchange	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Description PUPS 042112 60			-6 00000	0.7500	12/28/11 01/23/12	01/24/12	449.99	144.00	305.99
P XOM 072112 70			-5.00000	1.6200	01/09/12 03/20/12	03/21/12	809.98	245.00	564.98
<b>TOTAL SHORT TERM OPTIONS</b>									<b>\$96,708.60</b>
									<b>\$86,299.40</b>
									<b>\$10,409.20</b>

B Option premiums are included in the proceeds when the underlying option results in a sale. Similarly, option premiums are included in the cost basis when the underlying option results in a purchase.

LEGAL AFFIDAVIT OF PUBLICATION  
ADVANCE MEDIA GROUP  
PUBLISHERS OF  
THE BIRMINGHAM NEWS

1st March  
On this \_\_\_\_\_ day of \_\_\_\_\_  
A.D. Two Thousand , and Thirteen, Vickie Webb  
declares that she is an Accounting Clerk of "The  
Birmingham News" published in the City of  
Birmingham, in the County of Jefferson, in the State  
of Alabama, and that the advertisement, a true copy of  
which is herewith attached, appeared in "The  
Birmingham News" on the following dates:

March 1, 2013

NOTICE TO ALL INTERESTED PERSONS  
The annual return of the Lance Robert  
McLendon Foundation is available, at the  
address noted below, for public inspection  
during regular business hours by any citizen  
who so requests within 180 days after pub-  
lication of this notice of its availability  
Lance Robert McLendon Foundation  
10 Innisbrook Lane  
Shoal Creek, AL 35242  
The principal manager is  
Benson R McLendon, President  
Telephone (205) 991-1050  
Bham News March 1, 2013

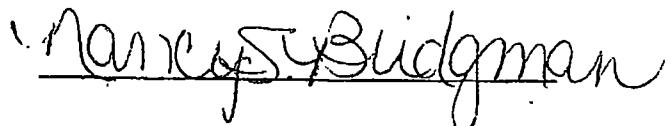


Signed- Vickie Webb

*The charges by this Newspaper for legal notices  
do not exceed the lowest classified rate paid  
by commercial customers for an advertisement  
of similar size and frequency in the same  
newspaper in which public notices appear.  
There are no agreements between the Newspaper  
and the officers or attorneys charged with the  
duty of placing legal advertising notices whereby  
any advantage, gain or profit accrues to said  
officers or attorneys.*

State of Alabama  
County of Jefferson

On March 1, 2013, Vickie Webb  
personally appeared before me, who is personally known  
to me to be the signer of the above document, and she  
acknowledged that she signed it



NANCY S BRIDGMAN  
NOTARY PUBLIC  
STATE OF ALABAMA  
MY COMMISSION EXPIRES DEC. 22, 2014