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

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

2012

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation D.W. MCMILLAN FOUNDATION		A Employer identification number 63-6044830
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 867	Room/suite	B Telephone number (251) 867-4881
City or town, state, and ZIP code BREWTON, AL 36427		C If exemption application is pending, check here <input type="checkbox"/>
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		D 1. Foreign organizations, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		2. Foreign organizations meeting the 65% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 27,315,626. (Part I, column (d) must be on cash basis.)		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		1,021,381.	1,021,381.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		833,171.			
b Gross sales price for all assets on line 6a		13,009,999.			
7 Capital gain net income (from Part IV, line 2)			833,171.		
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		774.	774.		STATEMENT 2
12 Total. Add lines 1 through 11		1,855,326.	1,855,326.		
13 Compensation of officers, directors, trustees, etc		118,647.	77,120.		41,527.
14 Other employee salaries and wages		58,545.	38,054.		20,491.
15 Pension plans, employee benefits		36,000.	23,400.		12,600.
16a Legal fees STMT 3		17,097.	13,668.		3,419.
b Accounting fees STMT 4		20,250.	16,200.		4,050.
c Other professional fees STMT 5		72,694.	58,155.		14,539.
17 Interest					
18 Taxes STMT 6		24,307.	9,462.		4,845.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		4,736.	0.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		352,276.	236,059.		101,471.
25 Contributions, gifts, grants paid		1,224,500.			1,224,500.
26 Total expenses and disbursements. Add lines 24 and 25		1,576,776.	236,059.		1,325,971.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		278,550.			
b Net investment income (if negative, enter -0-)			1,619,267.		
c Adjusted net income (if negative, enter -0-)				N/A	

LAP

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
Assets	1. Cash - non-interest-bearing	114,837.	196,891.	196,891.
	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 8	14,162,508.	13,082,061.	14,682,955.
	c. Investments - corporate bonds STMT 9	10,102,546.	11,465,814.	11,909,552.
Liabilities	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 ▶ TIMBERLAND)	288,195.	288,195.	526,228.
	16. Total assets (to be completed by all filers)	24,668,086.	25,032,961.	27,315,626.
	17. Accounts payable and accrued expenses			
	18. Grants payable			
Net Assets or Fund Balances	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.		
Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>	24. Unrestricted			
	25. Temporarily restricted			
	26. Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27. Capital stock, trust principal, or current funds	24,988,238.	25,074,563.	
	28. Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29. Retained earnings, accumulated income, endowment, or other funds	-320,152.	-41,602.	
	30. Total net assets or fund balances	24,668,086.	25,032,961.	
31. Total liabilities and net assets/fund balances	24,668,086.	25,032,961.		

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	24,668,086.
2. Enter amount from Part I, line 27a	2	278,550.
3. Other increases not included in line 2 (itemize) ▶ TRANSFER FROM D.W. MCMILLAN TRUST	3	86,325.
4. Add lines 1, 2, and 3	4	25,032,961.
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	25,032,961.

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 SEE ATTACHED STATEMENT		P		
b CAPITAL GAINS DIVIDENDS				
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 12,979,510.		12,176,828.	802,682.
b 30,489.			30,489.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			802,682.
b			30,489.
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	833,171.
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

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	1,250,888.	26,579,169.	.047063
2010	1,177,452.	25,607,299.	.045981
2009	1,380,047.	23,684,341.	.058268
2008	1,433,075.	26,779,917.	.053513
2007	1,368,468.	30,282,413.	.045190

2 Total of line 1, column (d)	2	.250015
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	.050003
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	27,094,044.
5 Multiply line 4 by line 3	5	1,354,783.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	16,193.
7 Add lines 5 and 6	7	1,370,976.
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	1,325,971.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
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		1	32,385.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	32,385.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-		5	32,385.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	35,430.	
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	35,430.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,045.	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> 3,045. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ 0. (2) On foundation managers. ► \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► AL, FL		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		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>DANIEL W. MCMILLAN</u> Located at ► <u>P.O. BOX 867, BREWTON, AL</u> Telephone no. ► _____ ZIP+4 ► <u>36427</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 <u>N/A</u>			
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	X
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	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(j)(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? If "Yes," list the years ► _____, _____, _____	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
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.) N/A	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	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)?

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

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

6b

X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

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

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 10		118,647.	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 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	26,819,120.
b	Average of monthly cash balances	1b	161,296.
c	Fair market value of all other assets	1c	526,228.
d	Total (add lines 1a, b, and c)	1d	27,506,644.
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	27,506,644.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	412,600.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	27,094,044.
6	Minimum investment return. Enter 5% of line 5	6	1,354,702.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	1,354,702.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	32,385.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	32,385.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,322,317.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,322,317.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,322,317.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,325,971.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,325,971.
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	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,325,971.

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				1,322,317.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			1,224,300.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 1,325,971.				
a Applied to 2011, but not more than line 2a			1,224,300.	
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				101,671.
e Remaining amount distributed out of corpus	0.			
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:				
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				1,220,646.
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	0.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDENDS	536,778.	30,489.	506,289.
INTEREST	515,092.	0.	515,092.
TOTAL TO FM 990-PF, PART I, LN 4	1,051,870.	30,489.	1,021,381.

FORM 990-PF	OTHER INCOME	STATEMENT	2
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OIL LEASE	774.	774.	
TOTAL TO FORM 990-PF, PART I, LINE 11	774.	774.	

FORM 990-PF	LEGAL FEES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL EXPENSE	17,097.	13,668.		3,419.
TO FM 990-PF, PG 1, LN 16A	17,097.	13,668.		3,419.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	20,250.	16,200.		4,050.
TO FORM 990-PF, PG 1, LN 16B	20,250.	16,200.		4,050.

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	
INVESTMENT FEES	72,084.	57,667.		14,417.	
AGENCY & CUSTODY FEES	610.	488.		122.	
TO FORM 990-PF, PG 1, LN 16C	72,694.	58,155.		14,539.	

FORM 990-PF	TAXES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
PROPERTY TAXES	465.	465.		0.	
PAYROLL TAXES	13,842.	8,997.		4,845.	
FEDERAL EXCISE TAXES	10,000.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	24,307.	9,462.		4,845.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
DUES	2,500.	0.		0.	
INSURANCE	1,375.	0.		0.	
MISCELLANEOUS	500.	0.		0.	
OFFICE EXPENSE	361.	0.		0.	
TO FORM 990-PF, PG 1, LN 23	4,736.	0.		0.	

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
	13,082,061.	14,682,955.
TOTAL TO FORM 990-PF, PART II, LINE 10B	13,082,061.	14,682,955.

FORM 990-PF	CORPORATE BONDS	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
	11,465,814.	11,909,552.
TOTAL TO FORM 990-PF, PART II, LINE 10C	11,465,814.	11,909,552.

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT	10
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
ED LEIGH MCMILLAN II P.O. BOX 867 BREWTON, AL 36427	TRUSTEE 0.00	13,128.	0.	0.
JOHN D FINLAY JR P.O. BOX 867 BREWTON, AL 36427	TRUSTEE 0.00	34,656.	0.	0.
MICHAEL N HOKE 3040 VALLEY RIDGE ROAD HOOVER, AL 35242	TRUSTEE 0.00	18,900.	0.	0.
ALLISON R SINROD 4380 D'EVEROUX DRIVE PENSACOLA, FL 35204	TRUSTEE 0.00	18,900.	0.	0.
DANIEL W. MCMILLAN P.O. BOX 867 BREWTON, AL 36427	TRUSTEE 0.00	33,063.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		118,647.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

DANIEL W. MCMILLAN
P.O. BOX 867
BREWTON, AL 36427

TELEPHONE NUMBER

251-867-4881

FORM AND CONTENT OF APPLICATIONS

PROOF OF NEED AND QUALIFICATION AS POOR & NEEDY RESIDENT OF ESCAMBIA
COUNTY, AL OR FL

ANY SUBMISSION DEADLINES

RESTRICTIONS AND LIMITATIONS ON AWARDS

GEOGRAPHICAL AREA OF ESCAMBIA COUNTY, AL OR ESCAMBIA COUNTY, FL

D. W. MCMILLAN FOUNDATION - 63-6044830
SUPPLEMENT TO FORM 990-PF
GAIN OR (LOSS) ON SALE OF ASSETS
For the Year Ended December 31, 2012

Description	Date Acquired	Date Sold	Proceeds	Cost	Gain (Loss)
Prior Year Unsettled Options:					
Option-A T & T		01/10/12	13,242.70	6,665.43	6,577.27 ***
Option-Microsoft Corp		01/24/12	10,739.96	17,573.94	(6,833.98) ***
Option-Lincoln Natl Corp		01/15/12	11,522.81	1,890.01	9,632.80 ***
Option-Cons Energy, Inc		01/13/12	35,999.30	934.02	35,065.28 ***
Option - Johnson & Johnson		expired	8,459.83	-	8,459.83 ***
Option - Unilever		expired	17,999.65	-	17,999.65 ***
Option-Abbott Labs		01/31/12	19,337.82	11,440.07	7,897.75 ***
Stocks:					
Cons Energy, Inc 10000 Shs	10/10/11	01/12/12	363,585.93	378,575.15	(14,989.22)
Halliburton Co 10000 Shs	10/14/11	01/03/12	342,684.12	353,255.23	(10,571.11)
Coca Cola 5000 Shs	05/01/92	02/17/12	343,553.13	22,688.09	320,865.04
Colonial Properties Tr 21500 Shs	05/04/05	02/17/12	448,756.72	643,665.03	(194,908.31)
Pepsico 5050 Shs	08/04/11	02/15/12	318,891.30	297,154.53	21,736.77
Abbott Lab DE 3000 Shs	07/22/10	02/17/12	169,056.25	146,748.60	22,307.65
Abbott Labs 2350 Shs	07/22/10	03/30/12	143,782.36	114,953.07	28,829.29
Abbott Labs 4750 Shs	07/22/10	05/09/12	293,483.38	232,351.95	61,131.43
Caterpillar Inc DE 2600 Shs	03/07/07	2/17/12	294,911.39	167,338.83	127,572.56
Duke Realty 9000 Shs	05/04/05	02/17/12	125,832.53	251,835.01	(126,002.48)
Ford Motor 18000 Shs	06/01/11	02/27/12	229,495.86	258,339.60	(28,843.74)
Great Plains Energy 10000 Shs	09/29/06	02/17/12	210,148.19	290,675.61	(80,527.42)
Huntington Ingall 250 Shs	10/17/06	02/17/12	9,104.86	10,096.81	(991.95)
Plum Creek Timber 7000 Shs	05/09/01	02/17/12	271,469.66	154,680.01	116,789.65
Southern Co 5000 Shs	03/10/93	02/17/12	221,996.30	38,224.39	183,771.91
Verizon Comm 9300 Shs	01/21/04	02/17/12	356,527.17	265,637.85	90,889.32
Microsoft Corp DE 5050 Shs	03/10/09	03/09/12	161,632.77	102,651.41	58,981.36
A T & T 8500 Shs	03/03/03	03/09/12	264,272.62	217,005.00	47,267.62
A T & T 5000 Shs	Various	08/01/12	188,995.76	128,175.48	60,820.28
Proctor & Gamble 5350 Shs	08/04/11	03/09/12	357,127.91	323,229.93	33,897.98
Lyondellbasell Industries NV 7000 Shs	07/01/12	10/16/12	370,693.58	290,000.11	80,693.47
Joy Global Inc 5500 Shs	03/08/12	04/30/12	389,180.14	445,364.20	(56,184.06)
Kimberly Clark 3000 Shs	04/26/11	05/16/12	239,803.97	195,136.20	44,667.77
Duke Energy Cash in Lieu		07/05/12	32.07	31.34	0.73

Description	Date Acquired	Date Sold	Proceeds	Cost	Gain (Loss)
Soda Stream Intl LTD 7700 Shs	08/16/12	10/05/12	281,063.03	297,573.42	(16,510.39)
Baker Hughes 8000 Shs	05/21/12	11/07/12	330,082.43	396,510.10	(66,427.67)
Corning Inc DE 21300 Shs	05/10/12	11/07/12	245,371.99	284,771.24	(39,399.25)
Baxter Intl Inc 7800 Shs	05/01/12	11/16/12	443,030.07	435,464.34	7,565.73
Duke Corp New De 2000 Shs	06/25/03	12/17/12	129,391.10	96,641.56	32,749.54
Citigroup Inc DE 4000 Shs	05/21/12	12/20/12	156,088.50	335,273.62	(179,185.12)
Mylan Inc DE 5300 Shs	03/30/12	12/17/12	149,387.75	124,198.64	25,189.11
Merck & Co 3000 Shs	05/04/12	12/12/12	123,948.94	107,100.00	16,848.94
Merck & Co 3000 Shs	03/30/10	03/09/12	113,009.33	113,224.95	(215.62)
Merck & Co 6000 Shs	03/30/10	02/17/12	232,644.48	214,371.45	18,273.03
Intel Corp 10000 Shs	05/03/99	12/19/12	211,442.84	216,621.10	(5,178.26)
SPDR Gold Trust		12/31/12	1,134.67	1,134.67	-
Bonds:					
FHL Mtg Corp Global 5.75% 200M	09/16/02	01/15/12	200,000.00	200,000.00	-
A T & T 6.375% 200M	04/04/07	02/15/12	200,000.00	202,960.00	(2,960.00)
American Express 7% 100M	03/19/09	03/01/12	122,833.75	92,543.25	30,290.50
Aetna Services 6.75% 200M	06/30/97	03/06/12	213,794.75	191,114.50	22,680.25
IBM 5.7% 250M	08/21/08	03/01/12	303,432.25	253,302.37	50,129.88
Cox Communication 5.5% 300M	02/10/04	03/01/12	340,104.75	302,852.66	37,252.09
John Deere 5.35% 100M	03/19/09	03/01/12	119,229.75	100,800.48	18,429.27
Genl Electric 5.25% 100M	01/06/10	03/01/12	117,623.50	102,571.09	15,052.41
Genl Electric 5.25% 250M	08/21/08	03/01/12	294,058.75	246,672.75	47,386.00
Wells Fargo XII 7.88%	03/05/08	03/12/12	340,968.57	330,000.00	10,968.57
Freeport McMoran 8.375% 200M	05/18/09	03/14/12	209,106.62	198,023.25	11,083.37
Lilly Eli & Co 6% 250M	08/01/02	03/15/12	250,000.00	250,000.00	-
Alabama Power Co 5.875% 200M	04/04/07	04/02/12	200,000.00	200,000.00	-
Genl Elec Corp Nts 5.375% 250M	10/18/04	04/29/12	250,000.00	250,000.00	-
Wells Fargo Cap XI 6.25% 250M	05/16/07	06/15/12	250,000.00	250,000.00	-
IBM 4.75% 150M	10/06/03	11/29/12	150,000.00	150,000.00	-
JPM Chase Capital XXVI 8200 Shs 8%	10/20/10	07/12/12	205,000.00	223,250.14	(18,250.14)
General Mtrs Accep Corp 100M 6.875%	06/01/04	08/28/12	100,000.00	100,000.00	-
Ford Cr Nts 5.25% 250M	06/06/11	12/20/12	250,000.00	250,000.00	-
GNMA 11.5%	-	12/31/12	184.46	184.46	-
GNMA 9.0%	-	12/31/12	140.90	140.90	-

Description	Date Acquired	Date Sold	Proceeds	Cost	Gain (Loss)
Options:					
Option - ATT		01/10/12	17,719 40	24,097 52	(6,378 12)
Option - Lincoln National		02/15/12	13,687 95	18,175.80	(4,487 85)
Option - Merck		01/05/12	12,087 08	5,288.68	6,798.40
Option-McDonald Corp		01/10/12	5,442 88	74.59	5,368 29
Option-Joy Global Inc		03/19/12	27,440.96	4,950 00	22,490.96
Option Kimberly Clark Corp		03/27/12	2,885 81	15,600 00	(12,714 19)
Option-McDonald		06/30/12	8,799 80	15,200.00	(6,400.20)
Option-Lyondellbassell		07/31/12	24,764 93	66,500.00	(41,735 07)
Option-Genl Electric		07/31/12	22,387 63	41,267 10	(18,879 47)
Option-Intel		07/31/12	8,830 78		8,830.78
Option-Deere & Co		08/31/12	11,684 73	16,623.16	(4,938.43)
Option - Microsoft		01/23/12	8,180.84	11,107 25	(2,926 41)
Option-Soda Stream Intl Lt		08/31/12	26,826 11	18,825.46	8,000 65
Option-Mylan, Inc		10/31/12	23,377.70	55,500.19	(32,122 49)
Unsettled Options:					
McDonalds		07/12/12	10,863 79	-	10,863 79 **
Dow Chemical		12/19/12	12,300 69	-	12,300 69 **
Deere and Co		12/21/12	7,905.11	-	7,905.11 **
Mylan		12/13/12	11,842 11	-	11,842 11 **
Capital Gain Distributions:					
Colonial Properties			447 59		447 59
Plum Creek Timber			19,740 00		19,740.00
Weyerhaeuser Co			10,301 30		10,301.30
			13,052,910.41	12,176,827.59	876,082 82
		Unsettled Options	(42,911 70)		(42,911.70)
			13,009,998 71		833,171 12
Proceeds per 1099	4,116,478 05				
	8,531,613 10				
	12,648,091 15				
Capital Gain Distributions	30,488 89				
Options Not Reported on 1099-B	214,116.61 *				
Prior Year Unsettled Options (settled)	117,302 07 ***				
Current Year Unsettled Options	42,911.70 **				
	13,052,910.42				

**D. W. MCMILLAN FOUNDATION
SUPPLEMENT TO STATEMENT OF PRINCIPAL
CASH BASIS
December 31, 2012**

Distributions to Charity

Community Foundation of N/W FL	\$ 15,000 00
Pensacola Habitat for Humanity	10,000 00
United Cerebral Palsy of N/W, FL	10,000 00
Frederic Ozanam Charitable Pharmacy	10,000 00
Escambia County Commission-Service Work	10,000 00
Escambia County, AL Mental Health	10,000 00
Esc Co , AL Community Enalbed, Inc	10,000 00
Covenant Hospice, Inc-Pensacola, FL	10,000 00
Escambia County, Health Dept-FL	36,000 00
Alzheimer's Family Service	5,000 00
Sav-A-Life	10,000 00
Esc Co , AL Regional Child Advocacy Center	10,000 00
Brewton Habitat for Humane Society	5,000 00
Lupus Support Network-Pensacola, FL	5,000 00
Appleton Volunteer Fire Dept	5,000 00
Brewton Public Library	5,000 00
Christian Benevolent Fund	30,000 00
Lakeview Center Foundation-FL	10,000 00
Volunteers of America	5,000 00
Escambia County, AL Extension Service	15,000 00
United Fund of Atmore, AL	5,000 00
Children's Home Society, FL	35,000 00
American Red Cross, West Esc, AL	5,000 00
Brewton Civic League	10,000 00
Carlisa, Inc	5,000 00
Brewton Area YMCA, Inc	30,000 00
Boys & Girls Clubs of Escambia Co	5,000 00
Big Bros/Big Sisters N/W FL	10,000 00
Greater Brewton Community Foundation	10,000 00
YMCA of Northwest, FL	20,000 00
Brewton Kiwanis Club-Operation Santa Clauss	3,500 00
Escambia County Commission-Social Worker	32,000 00
Escambia Co , AL Rescue Squad	5,000 00
The Christmas Project	3,000 00
Baptist Hospital, Pensacola	26,000 00
Gulf Coast Council-Boy Scouts of America	15,000 00
Covenant Hospice, Inc-Brewton	5,000 00
Escambia County Drug Court	10,000 00
Association for Retarded Citizens, FL	10,000 00
Esc Co AL-Health Department	36,000 00
Escambia Co , AL Healthcare Authority	109,000 00
Children's Hospital-Sacred Hrt, FL	10,000 00
Epilepsy Society of N/W FL	4,000 00
HIV Care Center, Inc	20,000 00
Jefferson Davis Community College, AL	30,000 00
Disabled Adults & Children Fund, AL	15,000 00
Lion's Club Eye Fund	5,000 00
Alpha Center, Inc	5,000 00
Sacred Heart Hospital-FL	26,000 00
Salvation Army-Pensacola, FL	22,000 00
Department of Human Resources Escambia Co , AL	140,000 00
United Way of Escambia Co FL	20,000 00
United Fund of Brewton/E Brewton, AL	10,000 00
Waterfront Rescue Mission-FL	22,000 00
Tri-County Medical Center	20,000 00
Gulf Coast Kid's House, Esc Co., FL	15,000 00

**D. W. MCMILLAN FOUNDATION
SUPPLEMENT TO STATEMENT OF PRINCIPAL
CASH BASIS
December 31, 2012**

Ronald McDonald House	5,000 00	
Escambia County Commission-Victim A	20,000 00	
Catholic Charities of N/W FL	<u>220,000 00</u>	
Total Distributions to Charity		<u><u>\$ 1,224,500.00</u></u>

See Accountants' Compilation Report