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Form 990-PF

## Return of Private Foundation

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

2012

Open to Public  
Inspection

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 01-01-2012 , and ending 12-31-2012

Name of foundation THADDEUS H WATERMAN TRUST UW REGIONS BANK TRUSTEE #1255000704		A Employer identification number 63-6110169	
Number and street (or P O box number if mail is not delivered to street address) P O DRAWER 1628		B Telephone number (see instructions) (251) 690-1411	
City or town, state, and ZIP code MOBILE, AL 366331628		C If exemption application is pending, check here <input checked="" type="checkbox"/> <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 checked="" type="checkbox"/> <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input checked="" type="checkbox"/> <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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input checked="" type="checkbox"/> <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input checked="" type="checkbox"/> <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 910,915	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	(a) Revenue and expenses per books	(b) Net investment income
<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc , received (attach schedule)			
2 Check <input checked="" type="checkbox"/> <input 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. . . . .		24,227	24,227
5a Gross rents . . . . .			
b Net rental income or (loss) _____			
6a Net gain or (loss) from sale of assets not on line 10		-4,323	
b Gross sales price for all assets on line 6a 353,674			
7 Capital gain net income (from Part IV, line 2) . . . . .		0	
8 Net short-term capital gain . . . . .			
9 Income modifications . . . . .			
10a Gross sales less returns and allowances			
b Less Cost of goods sold . . . . .			
c Gross profit or (loss) (attach schedule) . . . . .			
11 Other income (attach schedule) . . . . .			
12 Total. Add lines 1 through 11 . . . . .		19,904	24,227
13 Compensation of officers, directors, trustees, etc		12,705	12,705
14 Other employee salaries and wages . . . . .			0
15 Pension plans, employee benefits . . . . .			
16a Legal fees (attach schedule) . . . . .			
b Accounting fees (attach schedule) . . . . .		1,175	0
c Other professional fees (attach schedule) . . . . .			1,175
17 Interest . . . . .			
18 Taxes (attach schedule) (see instructions)		1,105	202
19 Depreciation (attach schedule) and depletion . . . . .			0
20 Occupancy . . . . .			
21 Travel, conferences, and meetings . . . . .			
22 Printing and publications . . . . .			
23 Other expenses (attach schedule) . . . . .			
<b>24 Total operating and administrative expenses.</b>			
Add lines 13 through 23 . . . . .		14,985	12,907
25 Contributions, gifts, grants paid. . . . .		46,229	46,229
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25		61,214	12,907
27 Subtract line 26 from line 12			
a Excess of revenue over expenses and disbursements		-41,310	
b Net investment income (if negative, enter -0-) . . . . .		11,320	
c Adjusted net income (if negative, enter -0-) . . . . .			

	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions )	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing . . . . .				
	2 Savings and temporary cash investments . . . . .		12,494	30,791	
	3 Accounts receivable ►				
	Less allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less allowance for doubtful accounts ►				
	5 Grants receivable . . . . .				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions) . . . . .				
	7 Other notes and loans receivable (attach schedule) ►				
	Less allowance for doubtful accounts ►				
	8 Inventories for sale or use . . . . .				
	9 Prepaid expenses and deferred charges . . . . .				
	10a Investments—U S and state government obligations (attach schedule)	105,361	84,410	87,148	
	b Investments—corporate stock (attach schedule) . . . . .	234,513	229,778	243,277	
	c Investments—corporate bonds (attach schedule) . . . . .	241,698	208,019	223,594	
	11 Investments—land, buildings, and equipment basis ►				
Less accumulated depreciation (attach schedule) ►					
12 Investments—mortgage loans . . . . .					
13 Investments—other (attach schedule) . . . . .	311,469	311,095	326,105		
14 Land, buildings, and equipment basis ►					
Less accumulated depreciation (attach schedule) ►					
15 Other assets (describe ► _____)					
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	905,535	864,093	910,915		
Liabilities	17 Accounts payable and accrued expenses . . . . .				
	18 Grants payable . . . . .				
	19 Deferred revenue . . . . .				
	20 Loans from officers, directors, trustees, and other disqualified persons . . . . .				
	21 Mortgages and other notes payable (attach schedule) . . . . .				
	22 Other liabilities (describe ► _____)				
	23 Total liabilities (add lines 17 through 22) . . . . .	0	0		
	<b>Foundations that follow SFAS 117, check here ► <input type="checkbox"/></b> <b>and complete lines 24 through 26 and lines 30 and 31.</b>				
	24 Unrestricted . . . . .				
	25 Temporarily restricted . . . . .				
	26 Permanently restricted . . . . .				
	<b>Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/></b> <b>and complete lines 27 through 31.</b>				
	27 Capital stock, trust principal, or current funds . . . . .		905,535	864,093	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund . . . . .	0	0	0	
	29 Retained earnings, accumulated income, endowment, or other funds . . . . .	0	0	0	
	30 Total net assets or fund balances (see page 17 of the instructions) . . . . .	905,535	864,093		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions) . . . . .	905,535	864,093			

**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	905,535
2	Enter amount from Part I, line 27a . . . . .	2	-41,310
3	Other increases not included in line 2 (itemize) ►	3	0
4	Add lines 1, 2, and 3 . . . . .	4	864,225
5	Decreases not included in line 2 (itemize) ►	5	132
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	864,093

**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)
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<b>1 a</b>	PUBLICLY TRADED SECURITIES			P
<b>b</b>	CAPITAL GAINS DIVIDENDS			P
<b>c</b>				
<b>d</b>				
<b>e</b>				

(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</b> 351,793		357,997	-6,204
<b>b</b> 1,881			1,881
<b>c</b>			
<b>d</b>			
<b>e</b>			

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

(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))

(i) FMV 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>		-6,204
<b>b</b>		1,881
<b>c</b>		
<b>d</b>		
<b>e</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	-4,323
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	

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

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of 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	51,391	946,256	0 054310
2010	46,621	955,106	0 048812
2009	44,363	936,982	0 047347
2008	54,502	971,816	0 056083
2007	37,595	974,728	0 038570

2 Total of line 1, column (d).	2	0 245122
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 049024
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5.	4	919,784
5 Multiply line 4 by line 3.	5	45,091
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	113
7 Add lines 5 and 6.	7	45,204
8 Enter qualifying distributions from Part XII, line 4.	8	47,404

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

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here <input checked="" type="checkbox"/> and enter "N/A" on line 1		1	113
	Date of ruling or determination letter _____ <b>(attach copy of letter if necessary—see instructions)</b>			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b . . . . .			
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0
3	Add lines 1 and 2. . . . .		3	113
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0- . . . . .		5	113
6	<b>Credits/Payments</b>			
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a		600
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		600
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b> . . . . .	9		
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b> . . . . .	10		487
11	Enter the amount of line 10 to be <b>Credited to 2013 estimated tax</b> <input checked="" type="checkbox"/> 120	120	Refunded <input checked="" type="checkbox"/>	11
				367

**Part VII-A Statements Regarding Activities**

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? . . . . .		Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . . . .		Yes	No
	<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>			
1c	Did the foundation file <b>Form 1120-POL</b> for this year? . . . . .		Yes	No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year			
(1)	On the foundation <input checked="" type="checkbox"/> \$ _____ 0	(2)	On foundation managers <input checked="" type="checkbox"/> \$ _____ 0	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input checked="" type="checkbox"/> \$ _____ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . .		Yes	No
	<i>If "Yes," attach a detailed description of the activities.</i>			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . . . .		Yes	No
b	If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .		Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . .		Yes	No
	<i>If "Yes," attach the statement required by General Instruction T.</i>			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either		Yes	
	● 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? . . . . .			
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>		Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions)			
	<input checked="" type="checkbox"/> AL			
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? <i>If "No," attach explanation.</i>		Yes	
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>		Yes	No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		Yes	No

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

11		No
12		No
13	Yes	

Website address ► N/A

14	The books are in care of ► REGIONS BANK TRUST DEPARTMENT	Telephone no ► (251) 690-1416
	Located at ► 11 NORTH WATER ST 28TH FL MOBILE AL	ZIP +4 ► 36602

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here . . . . . ►	15
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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? . . . . .	16
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See instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ►

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

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

		Yes	No
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? ► 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? ► Yes <input checked="" type="checkbox"/> No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ► Yes <input checked="" type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ► 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)? ► 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). ► Yes <input checked="" type="checkbox"/> No		
1b	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 page 20 of the instructions)? . . . . . Organizations relying on a current notice regarding disaster assistance check here. ►		No
1c	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? . . . . .		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? . . . . . ► Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions) . . . . .		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . . . . ► Yes <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). . . . .		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? . . . . .		No
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? . . . . .		No

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

- |   |                  |
|---|------------------|
| <p><b>5a</b> During the year did the foundation pay or incur any amount to</p> <p>(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions). . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> | <p><b>5b</b></p> |
| <p><b>b</b> If any answer is "Yes" to 5a(1)–(5), did <b>any</b> 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)? . . . . .</p> <p>Organizations relying on a current notice regarding disaster assistance check here. . . . . <input type="checkbox"/></p>  |                  |
| <p><b>c</b> If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><i>If "Yes," attach the statement required by Regulations section 53.4945–5(d).</i></p>  |                  |
| <p><b>6a</b> Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>  | <p><b>6b</b></p> |
| <p><b>b</b> Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .</p> <p><i>If "Yes" to 6b, file Form 8870.</i></p>  | <p><b>No</b></p> |
| <p><b>7a</b> At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>   |                  |
| <p><b>b</b> If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . .</p>   | <p><b>7b</b></p> |

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

1. List all officers, directors, trustees, foundation managers and their compensation (see instructions).

<b>1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).</b>				
<b>(a) Name and address</b>	<b>(b) Title, and average hours per week devoted to position</b>	<b>(c) Compensation (If not paid, enter -0-)</b>	<b>(d) Contributions to employee benefit plans and deferred compensation</b>	<b>(e) Expense account other allowances</b>
REGIONS BANK TRUST DEPARTMENT PO DRAWER 1628 MOBILE AL 366331628	TRUSTEE 0 25	12,705	0	

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

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

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

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

## **Part IX-A      Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

1	
2	
3	
4	

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

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

1	
2	
All other program-related investments See page 24 of the instructions	
3	
<b>Total</b>	Add lines 1 through 3
	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities. . . . .	1a	897,523
b	Average of monthly cash balances. . . . .	1b	36,268
c	Fair market value of all other assets (see instructions). . . . .	1c	0
d	<b>Total</b> (add lines 1a, b, and c). . . . .	1d	933,791
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	933,791
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions). . . . .	4	14,007
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5	919,784
6	<b>Minimum investment return.</b> Enter 5% of line 5. . . . .	6	45,989

**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	45,989
2a	Tax on investment income for 2012 from Part VI, line 5. . . . .	2a	113
b	Income tax for 2012 (This does not include the tax from Part VI ). . . . .	2b	
c	Add lines 2a and 2b. . . . .	2c	113
3	Distributable amount before adjustments Subtract line 2c from line 1. . . . .	3	45,876
4	Recoveries of amounts treated as qualifying distributions. . . . .	4	0
5	Add lines 3 and 4. . . . .	5	45,876
6	Deduction from distributable amount (see instructions). . . . .	6	0
7	<b>Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1. . . . .	7	45,876

**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	47,404
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	3a	
a	Suitability test (prior IRS approval required). . . . .	3b	
b	Cash distribution test (attach the required schedule). . . . .	4	47,404
4	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	5	113
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions). . . . .	6	47,291
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4. . . . .		

**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
<b>1</b> Distributable amount for 2012 from Part XI, line 7				45,876
<b>2</b> Undistributed income, if any, as of the end of 2012				
<b>a</b> Enter amount for 2011 only. . . . .			41,022	
<b>b</b> Total for prior years 20____, 20____, 20____		0		
<b>3</b> Excess distributions carryover, if any, to 2012				
<b>a</b> From 2007. . . . .				
<b>b</b> From 2008. . . . .				
<b>c</b> From 2009. . . . .				
<b>d</b> From 2010. . . . .				
<b>e</b> From 2011. . . . .				
<b>f Total of lines 3a through e. . . . .</b>	0			
<b>4</b> Qualifying distributions for 2012 from Part XII, line 4 ► \$ _____ 47,404				
<b>a</b> Applied to 2011, but not more than line 2a			41,022	
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions). . . . .		0		
<b>c</b> Treated as distributions out of corpus (Election required—see instructions). . . . .	0			
<b>d</b> Applied to 2012 distributable amount. . . . .			6,382	
<b>e</b> Remaining amount distributed out of corpus	0			
<b>5</b> Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b . . . . .		0		
<b>c</b> 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		
<b>d</b> Subtract line 6c from line 6b Taxable amount—see instructions . . . . .		0		
<b>e</b> Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount—see instructions . . . . .			0	
<b>f</b> Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013 . . . . .				39,494
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .	0			
<b>8</b> Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . . . .	0			
<b>9</b> Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a . . . . .	0			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2008. . . . .				
<b>b</b> Excess from 2009. . . . .				
<b>c</b> Excess from 2010. . . . .				
<b>d</b> Excess from 2011. . . . .				
<b>e</b> Excess from 2012. . . . .				

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

- |   | Tax year |          |          |          | (e) Total |
|---|----------|----------|----------|----------|-----------|
|   | (a) 2012 | (b) 2011 | (c) 2010 | (d) 2009 |           |
| 1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling. . . . . |          |          |          |          |           |
| b Check box to indicate whether the organization is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5).       |          |          |          |          |           |
| 2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed. . . . .   |          |          |          |          |           |
| b 85% of line 2a. . . . .   |          |          |          |          |           |
| c Qualifying distributions from Part XII, line 4 for each year listed. . . . .  |          |          |          |          |           |
| d Amounts included in line 2c not used directly for active conduct of exempt activities. . . . .  |          |          |          |          |           |
| e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c. . . . .   |          |          |          |          |           |
| 3 Complete 3a, b, or c for the alternative test relied upon   |          |          |          |          |           |
| a "Assets" alternative test—enter   |          |          |          |          |           |
| (1) Value of all assets. . . . .  |          |          |          |          |           |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i)   |          |          |          |          |           |
| b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . . . .   |          |          |          |          |           |
| c "Support" alternative test—enter  |          |          |          |          |           |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties). . . . .                                |          |          |          |          |           |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(III). . . . .   |          |          |          |          |           |
| (3) Largest amount of support from an exempt organization   |          |          |          |          |           |
| (4) Gross investment income   |          |          |          |          |           |

**Part XV** **Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)**

## 1 Information Regarding Foundation Managers

- 2. 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) )
  - 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

## 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs

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

- a** The name, address, and telephone number of the person to whom applications should be addressed
  - b** The form in which applications should be submitted and information and materials they should include
  - c** Any submission deadlines
  - d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a Paid during the year</b>				
MOBILE MENTAL HEALTH CENTER 2400 GORDON SMITH DR MOBILE, AL 36617		PUBLIC	FOR PURPOSES DESIGNATED BY BOARD OF TRUSTEES	11,557
UNIVERSITY OF SOUTH ALABAMA 307 UNIVERSITY BLVD MOBILE, AL 36688		PUBLIC	FOR PROVIDING SCHOLARSHIPS	34,672
<b>Total</b>				46,229
<b>b Approved for future payment</b>				
<b>Total</b>				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 (See instructions )
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
<b>1</b>	<b>Program service revenue</b>					
a						
b						
c						
d						
e						
f						
<b>g</b>	<b>Fees and contracts from government agencies</b>					
<b>2</b>	<b>Membership dues and assessments.</b>					
<b>3</b>	<b>Interest on savings and temporary cash investments</b>					
<b>4</b>	<b>Dividends and interest from securities.</b>					
<b>5</b>	<b>Net rental income or (loss) from real estate</b>			14	24,227	
a	Debt-financed property.					
b	Not debt-financed property.					
<b>6</b>	<b>Net rental income or (loss) from personal property</b>					
<b>7</b>	<b>Other investment income.</b>					
<b>8</b>	<b>Gain or (loss) from sales of assets other than inventory</b>			18	-4,323	
<b>9</b>	<b>Net income or (loss) from special events</b>					
<b>10</b>	<b>Gross profit or (loss) from sales of inventory.</b>					
<b>11</b>	<b>Other revenue</b> a					
b						
c						
d						
e						
<b>12</b>	<b>Subtotal Add columns (b), (d), and (e).</b>		0		19,904	0
<b>13</b>	<b>Total.</b> Add line 12, columns (b), (d), and (e). (See worksheet in line 13 instructions to verify calculations.)			13		19,904

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

**Part XVII** **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

**a Transfers from the reporting foundation to a noncharitable exempt organization or**

(1) Cash.

**(2) Other**

## **b Other transactions**

**(1) Sales of assets to a noncharitable exempt organization.**

**(2) Purchases of assets from a noncharitable exempt organization.**

**(3) Rental of facilities, equipment, or other assets.**

**(4) Reimbursement arrangements.**

**(5) Loans or loan guarantees.**

**(6) Performance of services or membership or fundraising solicitations.**

**c Sharing of facilities, equipment, mailing lists, other assets, or paid employees**

**d** If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

	Yes	No
1a(1)		No
1a(2)		No
1b(1)		No
1b(2)		No
1b(3)		No
1b(4)		No
1b(5)		No
1b(6)		No
1c		No

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations?

described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

**b** If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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

\* \* \* \* \*

2013-05-09

\* \* \* \* \*

May the IRS discuss this return with the preparer shown below (see instr.)?  Yes  No

---

Signature of officer or trustee

Dat

Tut

**Sign  
Here**

## **Paid Prepare Use Only**

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	J WILBERT JORDAN JR	J WILBERT JORDAN JR	2013-05-09		P00275848
	Firm's name ► SMITH DUKES & BUCKALEW LLP 3800 AIRPORT BLVD			Firm's EIN ► 63-0191630	
	Firm's address ► MOBILE, AL 366081667			Phone no (251) 343-1200	

## TY 2012 Accounting Fees Schedule

**Name:** THADDEUS H WATERMAN TRUST UW  
REGIONS BANK TRUSTEE #1255000704  
**EIN:** 63-6110169

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX RETURN PREPARATION	1,175	0		1,175

**TY 2012 Investments Corporate  
Bonds Schedule**

**Name:** THADDEUS H WATERMAN TRUST UW

REGIONS BANK TRUSTEE #1255000704

**EIN:** 63-6110169

Name of Bond	End of Year Book Value	End of Year Fair Market Value
4,000 COMCAST CORP BOND	4,034	4,874
4,000 TARGET CORP BOND	3,903	4,708
4,000 HESS CORP BOND	4,573	5,264
5,000 PETROBRAS INTL BOND	4,996	5,692
4,000 TALISMAN ENERGY INC BOND	4,490	5,156
5,000 CITIGROUP INC BOND	5,155	5,239
10,000 CREDIT SUISSE BOND	10,179	10,640
4,000 GE CAP CORP BOND	4,022	4,643
4,000 GOLDMAN SACHS GROUP BOND	4,312	5,033
5,000 GOLDMAN SACHS GROUP BOND	5,035	5,321
4,000 WACHOVIA CORP BOND	3,940	4,737
4,000 CATERPILLAR INC BOND	4,310	5,426
5,000 GENERAL ELECTRIC CO BOND	5,011	5,019
4,000 ORACLE CORP BOND	4,142	4,868
4,000 TIME WARNER CABLE BOND	4,277	4,997
4,000 AT & T INC BOND	4,000	4,825
5,000 PRUDENTIAL FINL BOND	4,966	5,583
5,000 CSX CORP BOND	5,307	5,599
5,000 DIRECTV HOLDINGS	5,101	5,260
5,000 KRAFT FOODS INC	4,990	5,448
5,000 BARCLAYS BANK PLC	5,000	5,302
4,000 CA INC	4,050	4,555
5,000 HEWLETT-PACKARD CO	4,996	5,007
5000 ANHEUSER-BUSCH BOND	5,020	5,296
5000 AMERICAN EXPRESS CO BOND	5,073	5,242
4000 MERRILL LYNCH CO BOND	3,985	4,822
10000 MORGAN STANLEY BOND	10,268	10,434
10000 ONTARIO PROVINCE BOND	10,001	10,109
5000 SUNTRUST BANK BOND	4,994	5,370
5000 TOYOTA MOTOR CREDIT BOND	4,987	5,445

Name of Bond	End of Year Book Value	End of Year Fair Market Value
5000 TEVA PHARMA FIN BOND	4,999	5,115
5000 INTEL CORP BOND	4,981	5,302
5000 DUKE ENERGY CORP	5,004	5,170
5000 CHEVRON CORP	5,019	5,035
8000 RBC BOND	8,001	8,019
4000 CISCO SYSTEMS INC	4,590	4,572
10000 IBM BOND	10,321	10,393
10000 BHP BILLITON FIN	9,987	10,074

**TY 2012 Investments Corporate  
Stock Schedule**

**Name:** THADDEUS H WATERMAN TRUST UW  
REGIONS BANK TRUSTEE #1255000704  
**EIN:** 63-6110169

<b>Name of Stock</b>	<b>End of Year Book Value</b>	<b>End of Year Fair Market Value</b>
140 SHS CVS/CAREMARK CORP	4,677	6,769
75 SHS PEPSICO INC	4,831	5,132
80 SHS PHILIP MORRIS INTL INC	4,697	6,691
75 SHS PROCTER AND GAMBLE CO	4,858	5,092
45 SHS APACHE CORP	5,116	3,533
60 SHS CHEVRON CORP	6,010	6,488
55 SHS EXXON MOBIL CORP	4,537	4,760
60 SHS SCHLUMBERGER LTD	5,056	4,158
100 SHS AMERICAN EXPRESS CO	4,562	5,748
15 SHS BLACKROCK INC	2,975	3,101
100 SHS JP MORGAN CHASE CO	4,544	4,397
75 SHS PRUDENTIAL FINL INC	4,783	4,000
80 SHS TRAVELERS CO	4,630	5,746
60 SHS VISA INC	4,426	9,095
65 SHS ALLERGAN INC	4,656	5,962
75 SHS JOHNSON & JOHNSON	4,572	5,257
50 SHS LABORATORY CORP AMERICAN	3,924	4,331
140 SHS MERCK & CO INC	4,666	5,732
80 SHS STRYKER CORP	4,778	4,386
80 SHS THERMO FISHER INC	4,477	5,102
50 SHS EMERSON ELECTRIC CO	2,816	2,648
250 SHS GE CO	5,169	5,247
50 SHS 3M CO	4,489	4,643
30 SHS UNITED TECHNOLOGIES CO	2,514	2,460
110 SHS BROADCOM CORP	3,891	3,652
270 SHS CISCO SYSTEMS INC	5,668	5,305
100 SHS EMC CORP	2,623	2,530
4 SHS GOOGLE INC	2,468	2,830
230 SHS INTEL CORP	4,934	4,743
130 SHS JUNIPER NETWORKS INC	4,070	2,557

<b>Name of Stock</b>	<b>End of Year Book Value</b>	<b>End of Year Fair Market Value</b>
140 SHS ORACLE CORP	4,630	4,665
80 SHS QUALCOMM INC	4,482	4,949
130 SHS TEXAS INSTRS INC	4,529	4,016
60 SHS MONSANTO CO	4,526	5,679
40 SHS PRAXAIR INC	3,908	4,378
130 SHS VERIZON COMMUN	4,735	5,625
85 SHS NEXTRA ENERGY INC	4,690	5,881
175 SHS XCEL ENERGY INC	4,603	4,674
135 SHS JOHNSON CONTROLS	4,509	4,140
140 SHS LOWES CO	4,565	4,973
50 SHS MCDONALDS CORP	4,647	4,411
80 SHS TARGET CORP	4,677	4,734
85 SHS HJ HEINZ CO	4,546	4,903
60 SHS ANADARKO PETROLEUM	4,187	4,459
45 SHS OCCIDENTAL PETE CORP	4,568	3,447
120 SHS METLIFE INC	4,552	3,953
200 SHS WELLS FARGO CO	6,836	6,836
60 SHS BAXTER INTL INC	3,558	4,000
85 SHS DANAHER CORP	4,678	4,751
12 SHS APPLE INC	6,451	6,386
65 SHS ACCENTURE PLC	4,484	4,322



## TY 2012 Investments - Other Schedule

**Name:** THADDEUS H WATERMAN TRUST UW  
**REGIONS BANK TRUSTEE #1255000704**  
**EIN:** 63-6110169

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ARTISAN SMALL CAP VALUE FD	AT COST	10,932	12,421
ARTISAN MID CAP VALUE FD	AT COST	11,288	13,841
BUFFALO SMALL CAP FD	AT COST	11,923	14,750
AMERICAN EUROPACIFIC GROWTH FD	AT COST	44,100	45,768
THORNBURG INTL VALUE FUND	AT COST	43,700	44,820
5,735 FHLMC POOL	AT COST	6,234	6,199
3,720 FHLMC POOL	AT COST	4,001	3,999
5,568 FHLMC POOL	AT COST	5,892	5,886
24000 FNMA POOL	AT COST	26,328	27,464
4378 FNMA POOL	AT COST	4,485	4,741
19000 FNMA POOL	AT COST	20,059	20,019
13000 FNMA POOL	AT COST	13,159	13,156
HIGH MARK GENAVA MID CAP FD	AT COST	14,500	14,677
3117 FHLMC POOL	AT COST	3,308	3,345
6263 FNMA POOL	AT COST	6,580	6,710
4376 FNMA POOL	AT COST	4,655	4,822
3541 FNMA POOL	AT COST	3,768	3,848
5961 FNMA POOL	AT COST	6,429	6,506
4002 FNMA POOL	AT COST	4,286	4,469
3529 FHLMC	AT COST	3,737	3,773
6453 FHLMC	AT COST	6,749	6,786
36048 FNMA	AT COST	37,298	40,166
2724 FNMA	AT COST	2,968	2,994
4202 FNMA	AT COST	4,444	4,508
3807 FNMA	AT COST	4,095	4,117
5954 FNMA	AT COST	6,177	6,320

## TY 2012 Other Decreases Schedule

**Name:** THADDEUS H WATERMAN TRUST UW  
REGIONS BANK TRUSTEE #1255000704  
**EIN:** 63-6110169

Description	Amount
TIMING DIFFERENCES BOOK AND TAX	132

## TY 2012 Taxes Schedule

**Name:** THADDEUS H WATERMAN TRUST UW  
REGIONS BANK TRUSTEE #1255000704  
**EIN:** 63-6110169

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL EXCISE TAXES	903	0		0
FOREIGN TAXES	202	202		0