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

**2012**

Department of the Treasury  
Internal Revenue Service

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

**For calendar year 2012, or tax year beginning , 2012, and ending**

Herman & Patsy Smith Charitable Foundatn  
3700 CHEEK SPARGER RD #180  
Bedford, TX 76021-3058

**A** Employer identification number  
75-2610418

**B** Telephone number (see the instructions)  
817-540-4942

**C** If exemption application is pending, check here

**D** 1 Foreign organizations, check here   
2 Foreign organizations meeting the 85% test, check here and attach computation

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

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

**G** Check all that apply:

<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 foundation

**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)  
\$ 4,709,360.

**J** Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_  
(Part I, column (d) must be on cash basis.)

<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).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>1</b>	Contributions, gifts, grants, etc. received (att sch)				
<b>2</b>	CK <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
<b>3</b>	Interest on savings and temporary cash investments	80.	80.	N/A	
<b>4</b>	Dividends and interest from securities	58,925.	58,925.		
<b>5a</b>	Gross rents				
<b>b</b>	Net rental income or (loss)				
<b>6a</b>	Net gain/(loss) from sale of assets not on line 10	12,705.	Statement 6		
<b>b</b>	Gross sales price for all assets on line 6a 4,747,643.				
<b>7</b>	Capital gain net income (from Part IV, line 2)		12,705.		
<b>8</b>	Net short-term capital gain				
<b>9</b>	Income modifications				
<b>10a</b>	Gross sales less returns and allowances				
<b>b</b>	Less Cost of goods sold				
<b>c</b>	Gross profit/(loss) (att sch)				
<b>11</b>	Other income (attach schedule) See Statement 1	5,362.	20,672.		
<b>12</b>	<b>Total.</b> Add lines 1 through 11	77,072.	92,382.		
<b>13</b>	Compensation of officers, directors, trustees, etc.	0.			
<b>14</b>	Other employee salaries and wages				
<b>15</b>	Pension plans, employee benefits				
<b>16a</b>	Legal fees (attach schedule)				
<b>b</b>	Accounting fees (attach sch). See St 2	1,850.	740.		1,110.
<b>c</b>	Other prof fees (attach sch)				
<b>17</b>	Interest				
<b>18</b>	Taxes (attach schedule)(see instrs) See Stm 3	209.	209.		
<b>19</b>	Depreciation (attach sch) and depletion	7,197.	7,197.		
<b>20</b>	Occupancy				
<b>21</b>	Travel, conferences, and meetings				
<b>22</b>	Printing and publications				
<b>23</b>	Other expenses (attach schedule) See Statement 4	7,352.	7,337.		15.
<b>24</b>	<b>Total operating and administrative expenses.</b> Add lines 13 through 23	16,608.	15,483.		1,125.
<b>25</b>	Contributions, gifts, grants paid Part XV	225,509.			225,509.
<b>26</b>	<b>Total expenses and disbursements.</b> Add lines 24 and 25	242,117.	15,483.		226,634.
<b>27</b>	Subtract line 26 from line 12:				
<b>a</b>	<b>Excess of revenue over expenses and disbursements</b>	-165,045.			
<b>b</b>	Net investment income (if negative, enter -0-)		76,899.		
<b>c</b>	Adjusted net income (if negative, enter -0-)				

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1	Cash – non-interest-bearing		8,178.	8,178.
	2	Savings and temporary cash investments	4,643,935.	1,451,301.	1,451,301.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges.			
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) <b>Statement 9</b>	461,922.	3,446,158.	3,250,005.
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule)	-124.	-124.	-124.	
14	Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe )				
16	<b>Total assets</b> (to be completed by all filers – see the instructions. Also, see page 1, item I)	5,105,733.	4,905,513.	4,709,360.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue		201.	
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe )			
	23	<b>Total liabilities</b> (add lines 17 through 22)	0.	201.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	5,105,733.	4,905,312.	
	28	Paid-in or capital surplus, or land, building, and equipment fund.			
	29	Retained earnings, accumulated income, endowment, or other funds			
30	<b>Total net assets or fund balances</b> (see instructions)	5,105,733.	4,905,312.		
31	<b>Total liabilities and net assets/fund balances</b> (see instructions)	5,105,733.	4,905,513.		

**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	5,105,733.
2	Enter amount from Part I, line 27a	2	-165,045.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	4,940,688.
5	Decreases not included in line 2 (itemize) <b>See Statement 5</b>	5	35,376.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	4,905,312.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a See Statement 6			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(j) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). <span style="float:right">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>	2	12,705.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): <span style="float:right">[ If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 ]</span>	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 (column (b) divided by column (c))
2011	218,949.	5,061,343.	0.043259
2010	204,859.	4,333,801.	0.047270
2009	238,127.	4,120,133.	0.057796
2008	244,713.	4,805,265.	0.050926
2007	233,571.	5,053,765.	0.046217

2 Total of line 1, column (d)	2	0.245468
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	0.049094
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	4,902,073.
5 Multiply line 4 by line 3	5	240,662.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	769.
7 Add lines 5 and 6	7	241,431.
8 Enter qualifying distributions from Part XII, line 4	8	226,634.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	1,538.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	1,538.
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	1,538.
6 Credits/Payments:			
a 2012 estimated tax pmts and 2011 overpayment credited to 2012	6 a	19,888.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	19,888.	
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	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	18,350.	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> 18,350. Refunded <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the 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>		X
c 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? <i>If 'Yes,' attach a detailed description of the activities.</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a 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?		N/A
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>		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? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

**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)			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)			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	X		
14	The books are in care of <u>Madelyn Ivey</u> Telephone no <u>817-540-4942</u> Located at <u>3700 CHEEK SPARGER RD STE 180 BEDFORD TX</u> ZIP + 4 <u>76021-3058</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 <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 <u>  </u>		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
1 a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1 c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 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 <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>		
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)	2 b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>		
3 a 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).	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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?	4 b	X

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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No
- (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?  Yes  No
- (3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No
- (4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)  Yes  No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5 b N/A

Organizations relying on a current notice regarding disaster assistance check here

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

N/A  Yes  No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

Yes  No

6 b 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

7 b

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

N/A

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
PATSY R. SMITH 3700 CHEEK SPARGER RD STE 180 BEDFORD, TX 76021-3058	Director/P/T 1.00	0.	0.	0.
MADLYN B. IVEY 3700 CHEEK SPARGER RD STE 180 BEDFORD, TX 76021-3058	Director/VP/ 2.00	0.	0.	0.
LINDA L. HAMILTON 3700 CHEEK SPARGER RD STE 180 BEDFORD, TX 76021-3058	Director 1.00	0.	0.	0.
-----				

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

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

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

0



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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
<b>a</b> Average monthly fair market value of securities	<b>1 a</b>	2,188,699.
<b>b</b> Average of monthly cash balances	<b>1 b</b>	2,788,025.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1 c</b>	
<b>d</b> Total (add lines 1a, b, and c)	<b>1 d</b>	4,976,724.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1 e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	4,976,724.
<b>4</b> Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	74,651.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	4,902,073.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	245,104.

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

<b>1</b> Minimum investment return from Part X, line 6		<b>1</b>	245,104.
<b>2a</b> Tax on investment income for 2012 from Part VI, line 5	<b>2 a</b>	1,538.	
<b>b</b> Income tax for 2012. (This does not include the tax from Part VI)	<b>2 b</b>		
<b>c</b> Add lines 2a and 2b	<b>2 c</b>	1,538.	
<b>3</b> Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	243,566.	
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>		
<b>5</b> Add lines 3 and 4	<b>5</b>	243,566.	
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>		
<b>7</b> Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	243,566.	

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

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b> Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	<b>1 a</b>	226,634.
<b>b</b> Program-related investments – total from Part IX-B	<b>1 b</b>	
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required)	<b>3 a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3 b</b>	
<b>4</b> Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	226,634.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	<b>5</b>	
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	226,634.

**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				243,566.
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			224,511.	
b Total for prior years: 20 __, 20 __, 20 __		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 ▶ \$ 226,634.				
a Applied to 2011, but not more than line 2a			224,511.	
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				2,123.
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 instructions			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013.				241,443.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	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				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling ▶

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

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

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 7

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

See Statement for Line 2a

c Any submission deadlines:

See Statement for Line 2a

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

See Statement for Line 2a

**Part XV Supplementary Information** (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p><i>a Paid during the year</i> See Statement 8</p>				
<p><b>Total</b> <span style="float: right;">▶ 3a</span></p>				<p>225,509.</p>
<p><i>b Approved for future payment</i></p>				
<p><b>Total</b> <span style="float: right;">▶ 3b</span></p>				





## Herman &amp; Patsy Smith Charitable Foundatn

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

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income			
Total	\$ 5,362.	\$ 20,672.	\$ 0.

**Statement 2**  
**Form 990-PF, Part I, Line 16b**  
**Accounting Fees**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
TAX PREPARATION				
Total	\$ 1,850.	\$ 740.		\$ 1,110.

**Statement 3**  
**Form 990-PF, Part I, Line 18**  
**Taxes**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FOREIGN TAX FROM K-1	\$ 108.	\$ 108.		
FOREIGN TAX WITHHELD ON DIVIDENDS.	84.	84.		
SEVERANCE TAX WITHHELD ON ROYALTIES	17.	17.		
Total	\$ 209.	\$ 209.		\$ 0.

**Statement 4**  
**Form 990-PF, Part I, Line 23**  
**Other Expenses**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
ADMIN EXP ON ROYALTIES	\$ 3.	\$ 3.		
SCH K-1 CHARITABLE CONTRIBUTIONS	15.			\$ 15.
SCH K-1 SECT 59(e) (2) EXPENDITURES	7,334.	7,334.		
Total	\$ 7,352.	\$ 7,337.		\$ 15.

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**Statement 5**  
**Form 990-PF, Part III, Line 5**  
**Other Decreases**

FEDERAL INCOME TAX	\$ 35,356.
SCH K-1 NONDUCTIBLE EXPENSES	20.
<b>Total</b>	<b>\$ 35,376.</b>

**Statement 6**  
**Form 990-PF, Part IV, Line 1**  
**Capital Gains and Losses for Tax on Investment Income**

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	900 WEIGHT WATCHERS INTL INC NEW	Purchased	1/05/2012	1/20/2012
2	500 POTASH CORP OF SASKATCHEWAN COM NPV ISI	Purchased	1/26/2012	1/26/2012
3	1,000 SPDR GOLD TR GOLD SHS	Purchased	9/22/2011	1/27/2012
4	500 SPDR GOLD TR GOLD SHS	Purchased	10/25/2011	1/27/2012
5	750 SPDR GOLD TR GOLD SHS	Purchased	11/10/2011	1/27/2012
6	250 SPDR GOLD TR GOLD SHS	Purchased	11/17/2011	1/27/2012
7	1,000 POTASH CORP OF SASKATCHEWAN COM NPV ISI	Purchased	1/10/2012	1/27/2012
8	300 POTASH CORP OF SASKATCHEWAN COM NPV ISI	Purchased	1/26/2012	1/27/2012
9	3,000 ISHARES BARCLAYS 20+ YEAR TREAS BOND FD	Purchased	1/24/2012	1/27/2012
10	250 SPDR GOLD TR GOLD SHS	Purchased	12/12/2011	2/02/2012
11	1,000 MAGNUM HUNTER RES CORP DEL COM	Purchased	1/12/2012	2/14/2012
12	500 MAGNUM HUNTER RES CORP DEL COM	Purchased	1/20/2012	2/14/2012
13	1,500 MAGNUM HUNTER RES CORP DEL COM	Purchased	1/12/2012	2/21/2012
14	3,500 KODIAK OIL & GAS CORP COM NPV	Purchased	3/06/2012	3/13/2012
15	1,400 FLOTEK INDS INC DEL	Purchased	3/05/2012	4/20/2012
16	1,400 FLOTEK INDS INC DEL	Purchased	3/05/2012	4/27/2012
17	1,000 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	1/20/2012	5/04/2012
18	800 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	2/28/2012	5/04/2012
19	1,103 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	3/23/2012	5/04/2012
20	1,250 CABOT OIL & GAS CP COM	Purchased	1/06/2012	5/04/2012
21	1,250 CABOT OIL & GAS CP COM	Purchased	1/11/2012	5/04/2012
22	1,400 FLOTEK INDS INC DEL	Purchased	5/04/2012	5/04/2012
23	650 HALLIBURTON CO HOLDING CO FRMLY HALLIBU	Purchased	2/10/2012	5/04/2012
24	350 HALLIBURTON CO HOLDING CO FRMLY HALLIBU	Purchased	2/16/2012	5/04/2012
25	500 HALLIBURTON CO HOLDING CO FRMLY HALLIBU	Purchased	2/21/2012	5/04/2012
26	300 HALLIBURTON CO HOLDING CO FRMLY HALLIBU	Purchased	2/22/2012	5/04/2012
27	5,000 MIDSTATES PETE CO INC COM USD0.01	Purchased	4/20/2012	5/04/2012
28	750 MIDSTATES PETE CO INC COM USD0.01	Purchased	4/25/2012	5/04/2012
29	750 WESTPORT INNOVATIONS INC COM NPV ISIN #	Purchased	2/01/2012	5/04/2012
30	300 WESTPORT INNOVATIONS INC COM NPV ISIN #	Purchased	2/22/2012	5/04/2012
31	10,000 SECTOR SPDR TR SHS BEN INT ENERGY	Purchased	5/02/2012	5/04/2012
32	1,400 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	6/26/2012	7/03/2012

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Statement 6 (continued)  
Form 990-PF, Part IV, Line 1  
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
33	600 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	6/26/2012	7/05/2012
34	2,000 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	6/27/2012	7/05/2012
35	500 MCMORAN EXPLORATION CO	Purchased	1/17/2012	7/30/2012
36	750 MCMORAN EXPLORATION CO	Purchased	2/14/2012	7/30/2012
37	750 MCMORAN EXPLORATION CO	Purchased	3/05/2012	7/30/2012
38	10,000 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/01/2012	7/30/2012
39	2,500 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/14/2012	7/30/2012
40	2,750 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/15/2012	7/30/2012
41	4,750 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	3/12/2012	7/30/2012
42	200 TRIANGLE PETROLEUM CORPORATION COM STK	Purchased	4/25/2012	8/01/2012
43	216 TRIANGLE PETROLEUM CORPORATION COM STK	Purchased	5/01/2012	8/01/2012
44	534 TRIANGLE PETROLEUM CORPORATION COM STK	Purchased	5/02/2012	8/01/2012
45	1,500 CHEVRON CORP NEW	Purchased	4/09/2012	8/14/2012
46	1,750 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	1/20/2012	8/16/2012
47	5,000 PROSHARES SHORT S&P 500 PROSHARES	Purchased	6/15/2012	8/16/2012
48	473 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/01/2012	8/21/2012
49	977 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/10/2012	8/21/2012
50	1,050 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/10/2012	8/22/2012
51	7,000 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	4/19/2012	8/22/2012
52	3,000 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	4/24/2021	8/22/2012
53	9,645 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/10/2012	8/31/2012
54	590 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/10/2012	9/06/2012
55	1,200 EPL OIL & GAS INC COM USD0.001	Purchased	3/29/2012	9/07/2012
56	2,265 SAMSON OIL&GAS LTD SPON ADR REP 20 ORD	Purchased	2/10/2012	9/07/2012
57	100 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	1/20/2012	9/14/2012
58	150 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	1/20/2012	9/17/2012
59	500 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	8/08/2012	9/17/2012
60	1,000 BONANZA CREEK ENERGY INC COM USD0.001	Purchased	8/13/2012	9/17/2012
61	3,500 EPL OIL & GAS INC COM USD0.001	Purchased	3/29/2012	9/21/2012
62	500 ANADARKO PETE CORP	Purchased	6/28/2012	9/24/2012
63	200 ANADARKO PETE CORP	Purchased	8/15/2012	9/24/2012
64	400 ANADARKO PETE CORP	Purchased	8/24/2012	9/24/2012
65	300 EPL OIL & GAS INC COM USD0.001	Purchased	3/29/2012	9/24/2012
66	500 EPL OIL & GAS INC COM USD0.001	Purchased	4/05/2012	9/24/2012
67	2,700 SOUTHWESTERN ENERGY CO DELAWARE	Purchased	3/02/2012	10/19/2012
68	550 SOUTHWESTERN ENERGY CO DELAWARE	Purchased	3/02/2012	10/23/2012
69	500 EOG RESOURCES INC	Purchased	2/17/2012	10/25/2012
70	500 EOG RESOURCES INC	Purchased	2/24/2012	10/25/2012
71	600 EOG RESOURCES INC	Purchased	3/22/2012	10/25/2012

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Statement 6 (continued)  
Form 990-PF, Part IV, Line 1  
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
72	900 EOG RESOURCES INC	Purchased	6/21/2012	10/25/2012
73	1,250 FREEPORT MCMORAN COPPER & GOLD INC.	Purchased	10/16/2012	10/25/2012
74	1,400 FLOTEK INDS INC DEL	Purchased	3/05/2012	10/25/2012
75	2,500 ANNALY CAPITAL MANAGEMENT INC COM	Purchased	9/13/2012	10/25/2012
76	1,000 WHITING PETE CORP NEW COM	Purchased	3/22/2012	10/25/2012
77	500 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	10/23/2012	10/26/2012
78	2,000 LINN ENERGY LLC UNIT REPSTG LTD LIABILI	Purchased	5/31/2012	11/01/2012
79	3,000 SPDR S&P 500 ETF TRUST UNIT SER 1 S&P	Purchased	10/24/2021	11/01/2012
80	5,000 KODIAK OIL & GAS CORP COM NPV	Purchased	3/06/2012	11/02/2012
81	2,000 KODIAK OIL & GAS CORP COM NPV	Purchased	3/27/2012	11/02/2012
82	3,500 KODIAK OIL & GAS CORP COM NPV	Purchased	3/28/2012	11/02/2012
83	2,000 KODIAK OIL & GAS CORP COM NPV	Purchased	5/15/2012	11/02/2012
84	500 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	10/10/2012	11/14/2012
85	1,000 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	10/23/2012	11/14/2012
86	3,250 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	11/05/2012	11/14/2012
87	4,000 SPDR S&P 500 ETF TRUST UNIT SER 1 S&P	Purchased	11/27/2012	11/28/2012
88	1,250 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	10/10/2012	12/11/2012
89	2,500 PROSHARES TR ULTRASHORT OIL & GAS NEW	Purchased	11/26/2012	12/11/2012
90	15 CALL (WLL) WHITING PETE CORP APR 21 12 \$60 (100 SHS)	Purchased	3/30/2012	3/23/2012
91	16 CALL (WLL) WHITING PETE CORP MAY 19 12 \$60 (100 SHS)	Purchased	5/18/2012	5/01/2012
92	5 CALL (CLR) CONTINENTAL RES INC JUN 16 12 \$80 (100 SHS)+N99	Purchased	6/15/2012	5/18/2012
93	16 CALL (EOG) EOG RESOURCES INC JUN 16 12 \$110 (100 SHS)	Purchased	6/15/2012	5/22/2012
94	30 CALL (LINE) LINN ENERGY LLC UNIT JUN 16 12 \$36 (100 SHS)	Purchased	6/15/2012	6/06/2012
95	10 CALL (WLL) WHITING PETE CORP JUN 16 12 \$47.5 (100 SHS)	Purchased	6/15/2012	5/21/2012
96	6 CALL (WLL) WHITING PETE CORP JUN 16 12 \$50 (100 SHS)	Purchased	6/15/2012	5/21/2012
97	15 CALL (CVX) CHEVRON CORP NEW JUL 21 12 \$105 (100 SHS)	Purchased	6/26/2012	5/22/2012
98	5 CALL (APC) ANADARKO PETE CORP JUL 21 12 \$72.5 (100 SHS)	Purchased	7/19/2012	7/03/2012
99	20 CALL (BCEI) BONANZA CREEK ENERGY JUL 21 12 \$20 (100 SHS)	Purchased	7/19/2012	5/22/2012
100	21 CALL (WLL) WHITING PETE CORP AUG 18 12 \$47.5 (100 SHS)	Purchased	7/19/2012	7/03/2012
101	15 CALL (SWN) SOUTHWESTERN ENERGY AUG 18 12 \$35 (100 SHS)	Purchased	8/03/2012	7/03/2012
102	17 CALL (SWN) SOUTHWESTERN ENERGY AUG 18 12 \$36 (100 SHS)	Purchased	8/03/2012	7/03/2012
103	55 CALL (EPL) ENERGY PARTNERS LTD AUG 18 12 \$17.5 (100 SHS)	Purchased	8/14/2012	5/22/2012
104	5 CALL (CLR) CONTINENTAL RES INC AUG 18 12 \$85 (100 SHS)	Purchased	8/17/2012	7/03/2012

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Statement 6 (continued)  
Form 990-PF, Part IV, Line 1  
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
105	25 CALL (EOG) EOG RESOURCES INC AUG	18 12 \$110 (100 SHS) Purchased	8/17/2012	7/03/2012
106	23 CALL (MSFT) MICROSOFT CORP AUG 18	12 \$32 (100 SHS) Purchased	8/17/2012	7/19/2012
107	10 CALL (POT) POTASH CORP OF AUG 18	12 \$48 (100 SHS) Purchased	8/17/2012	7/03/2012
108	3 CALL (EOG) EOG RESOURCES INC SEP 22	12 \$115 (100 SHS) Purchased	9/21/2012	8/28/2012
109	22 CALL (EOG) EOG RESOURCES INC SEP	22 12 \$115 (100 SHS) Purchased	9/21/2012	9/06/2012
110	20 CALL (SWN) SOUTHWESTERN ENERGY SEP	22 12 \$35 (100 SHS) Purchased	9/21/2012	8/16/2012
111	23 CALL (MSFT) MICROSOFT CORP OCT 20	12 \$32 (100 SHS) Purchased	10/04/2012	9/07/2012
112	16 CALL (OAS) OASIS PETROLEUM INC OCT	20 12 \$35 (100 SHS) Purchased	10/11/2012	9/06/2012
113	10 CALL (OAS) OASIS PETROLEUM INC OCT	20 12 \$35 (100 SHS) Purchased	10/15/2012	9/06/2012
114	18 CALL (POT) POTASH CORP OF OCT 20	12 \$43 (100 SHS) Purchased	10/15/2012	9/06/2012
115	5 CALL (WLL) WHITING PETE CORP OCT	20 12 \$50 (100 SHS) Purchased	10/15/2012	9/06/2012
116	10 CALL (CLR) CONTINENTAL RES INC OCT	20 12 \$90 (100 SHS) Purchased	10/19/2012	9/10/2012
117	65 CALL (GLD) SPDR GOLD TR GOLD OCT	20 12 \$178 (100 SHS) Purchased	10/19/2012	9/27/2012
118	20 CALL (KOG) KODIAK OIL & GAS OCT	20 12 \$10 (100 SHS) Purchased	10/19/2012	9/14/2012
119	15 CALL (PEP) PEPSICO INC OCT 20 12	\$72.5 (100 SHS) Purchased	10/19/2012	5/18/2012
120	27 CALL (PG) PROCTER & GAMBLE CO OCT	20 12 \$70 (100 SHS) Purchased	10/19/2012	9/07/2012
121	18 CALL (LINE) LINN ENERGY LLC UNIT JAN 19	13 \$40 (100 SHS) Purchased	11/09/2012	11/04/2012
122	2 CALL (LINE) LINN ENERGY LLC UNIT JAN 19	13 \$40 (100 SHS) Purchased	11/09/2012	11/15/2012
123	20 CALL (GLD) SPDR GOLD TR GOLD NOV	17 12 \$171 (100 SHS) Purchased	11/16/2012	10/25/2012
124	1 CALL (VFC) V F CORP NOV 17 12 \$165	(100 SHS) Purchased	11/16/2012	7/23/2012
125	20 CALL (GLD) SPDR GOLD TR GOLD NOV 30	12 \$170 (100 SHS) Purchased	11/30/2012	11/20/2012
126	6 CALL (CLR) CONTINENTAL RES INC DEC	22 12 \$90 (100 SHS) Purchased	12/21/2012	11/06/2012
127	NLY DISTRIBUTION	Purchased	Various	Various
128	SECURITIES LITIGATION SETTLEMENT	Purchased	Various	Various

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
1	59,781.		51,962.	7,819.				\$ 7,819.
2	23,142.		22,945.	197.				197.
3	165,250.		169,278.	-4,028.				-4,028.
4	82,625.		82,787.	-162.				-162.
5	123,938.		127,553.	-3,615.				-3,615.

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Statement 6 (continued)  
Form 990-PF, Part IV, Line 1  
Capital Gains and Losses for Tax on Investment Income

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
6	41,313.		41,793.	-480.				\$ -480.
7	46,873.		43,137.	3,736.				3,736.
8	14,062.		13,767.	295.				295.
9	352,604.		349,328.	3,276.				3,276.
10	42,766.		40,511.	2,255.				2,255.
11	6,745.		6,203.	542.				542.
12	3,372.		2,748.	624.				624.
13	11,287.		9,305.	1,982.				1,982.
14	36,531.		30,908.	5,623.				5,623.
15	17,954.		15,067.	2,887.				2,887.
16	19,144.		15,067.	4,077.				4,077.
17	20,803.		14,603.	6,200.				6,200.
18	16,642.		15,187.	1,455.				1,455.
19	22,946.		20,480.	2,466.				2,466.
20	42,395.		50,745.	-8,350.				-8,350.
21	42,395.		47,864.	-5,469.				-5,469.
22	18,231.		17,942.	289.				289.
23	21,539.		23,367.	-1,828.				-1,828.
24	11,598.		12,247.	-649.				-649.
25	16,569.		18,532.	-1,963.				-1,963.
26	9,941.		11,400.	-1,459.				-1,459.
27	71,591.		67,758.	3,833.				3,833.
28	10,739.		11,574.	-835.				-835.
29	21,534.		30,330.	-8,796.				-8,796.
30	8,614.		13,251.	-4,637.				-4,637.
31	681,277.		713,308.	-32,031.				-32,031.
32	34,657.		40,018.	-5,361.				-5,361.
33	14,806.		17,150.	-2,344.				-2,344.
34	49,354.		56,301.	-6,947.				-6,947.
35	6,923.		6,745.	178.				178.
36	10,384.		10,328.	56.				56.
37	10,384.		10,244.	140.				140.
38	11,596.		21,108.	-9,512.				-9,512.
39	2,899.		5,608.	-2,709.				-2,709.
40	3,189.		6,223.	-3,034.				-3,034.
41	5,508.		12,025.	-6,517.				-6,517.
42	1,130.		1,254.	-124.				-124.
43	1,221.		1,384.	-163.				-163.
44	3,018.		3,372.	-354.				-354.
45	166,394.		154,913.	11,481.				11,481.
46	34,169.		25,555.	8,614.				8,614.
47	174,338.		185,847.	-11,509.				-11,509.
48	499.		998.	-499.				-499.
49	1,030.		2,052.	-1,022.				-1,022.
50	1,112.		2,206.	-1,094.				-1,094.
51	7,415.		13,658.	-6,243.				-6,243.
52	3,178.		5,918.	-2,740.				-2,740.
53	10,119.		20,260.	-10,141.				-10,141.
54	612.		1,239.	-627.				-627.
55	21,928.		19,730.	2,198.				2,198.
56	2,370.		4,758.	-2,388.				-2,388.
57	2,412.		1,460.	952.				952.
58	3,629.		2,190.	1,439.				1,439.

Herman &amp; Patsy Smith Charitable Foundatn

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Statement 6 (continued)  
Form 990-PF, Part IV, Line 1  
Capital Gains and Losses for Tax on Investment Income

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i)-(j)	(l) Gain (Loss)
59	12,097.		9,403.	2,694.				\$ 2,694.
60	24,195.		18,378.	5,817.				5,817.
61	63,417.		57,546.	5,871.				5,871.
62	35,218.		31,668.	3,550.				3,550.
63	14,087.		13,825.	262.				262.
64	28,174.		27,508.	666.				666.
65	6,363.		4,932.	1,431.				1,431.
66	10,605.		7,933.	2,672.				2,672.
67	95,703.		90,457.	5,246.				5,246.
68	18,776.		18,426.	350.				350.
69	55,702.		58,280.	-2,578.				-2,578.
70	55,702.		59,001.	-3,299.				-3,299.
71	66,842.		66,284.	558.				558.
72	100,263.		79,703.	20,560.				20,560.
73	49,141.		51,758.	-2,617.				-2,617.
74	15,532.		15,067.	465.				465.
75	39,621.		43,678.	-4,057.				-4,057.
76	42,484.		54,314.	-11,830.				-11,830.
77	10,502.		10,665.	-163.				-163.
78	14,232.		0.	14,232.				14,232.
79	426,732.		422,588.	4,144.				4,144.
80	45,845.		44,155.	1,690.				1,690.
81	18,338.		20,068.	-1,730.				-1,730.
82	32,091.		33,608.	-1,517.				-1,517.
83	18,338.		17,668.	670.				670.
84	11,574.		10,491.	1,083.				1,083.
85	23,148.		21,331.	1,817.				1,817.
86	75,230.		69,591.	5,639.				5,639.
87	564,419.		561,856.	2,563.				2,563.
88	26,024.		26,227.	-203.				-203.
89	52,048.		54,283.	-2,235.				-2,235.
90	1,105.		533.	572.				572.
91	1,292.		0.	1,292.				1,292.
92	763.		0.	763.				763.
93	1,276.		0.	1,276.				1,276.
94	2,519.		0.	2,519.				2,519.
95	1,534.		0.	1,534.				1,534.
96	413.		0.	413.				413.
97	2,005.		1,145.	860.				860.
98	363.		512.	-149.				-149.
99	1,677.		0.	1,677.				1,677.
100	2,181.		1,494.	687.				687.
101	1,255.		233.	1,022.				1,022.
102	999.		127.	872.				872.
103	3,249.		1,935.	1,314.				1,314.
104	238.		0.	238.				238.
105	1,348.		2,027.	-679.				-679.
106	618.		0.	618.				618.
107	644.		0.	644.				644.
108	440.		0.	440.				440.
109	3,275.		0.	3,275.				3,275.
110	996.		0.	996.				996.
111	848.		124.	724.				724.

Herman &amp; Patsy Smith Charitable Foundatn

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**Statement 6 (continued)**  
**Form 990-PF, Part IV, Line 1**  
**Capital Gains and Losses for Tax on Investment Income**

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
112	439.		58.	381.				\$ 381.
113	703.		88.	615.				615.
114	974.		78.	896.				896.
115	2,588.		278.	2,310.				2,310.
116	313.		0.	313.				313.
117	514.		0.	514.				514.
118	3,191.		0.	3,191.				3,191.
119	1,877.		0.	1,877.				1,877.
120	535.		0.	535.				535.
121	2,228.		1,911.	317.				317.
122	86.		212.	-126.				-126.
123	1,376.		0.	1,376.				1,376.
124	321.		0.	321.				321.
125	1,096.		0.	1,096.				1,096.
126	437.		0.	437.				437.
127	125.		0.	125.				125.
128	884.		0.	884.				884.
							Total	\$ <u>12,705.</u>

**Statement 7**  
**Form 990-PF, Part XV, Line 2a-d**  
**Application Submission Information**

Name of Grant Program:  
Name: PATSY R. SMITH  
Care Of:  
Street Address: 3700 CHEEK SPARGER RD STE 180  
City, State, Zip Code: BEDFORD, TX 76021-3058  
Telephone:  
E-Mail Address:  
Form and Content: APPLICATION PACKET AVAILABLE UPON REQUEST  
Submission Deadlines: JUNE 1 OR NOVEMBER 1  
Restrictions on Awards: EXEMPT ORGANIZATIONS UNDER IRC SECT. 501(C)3 ONLY

**Statement 8**  
**Form 990-PF, Part XV, Line 3a**  
**Recipient Paid During the Year**

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
BAYLOR UNIVERSITY P. O. BOX 97026 WACO, TX 76798		PUBLIC	SCHOLARSHIP	\$ 20,000.

Herman &amp; Patsy Smith Charitable Foundatn

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Statement 8 (continued)  
Form 990-PF, Part XV, Line 3a  
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
DALLAS BAPTIST UNIVERSITY 3000 MOUNTAIN CREEK PARKWAY DALLAS, TX		PUBLIC	BASEBALL STADIUM	\$ 147,984.
HOME BUILDERS INSTITUTE 1201 15TH STREET N.W. WASHINGTON, D.C. 20, DC 20005		PUBLIC	CONSTRUCTION TRADES TRAINING	2,000.
WOODLAND HEIGHT BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD, TX 76021		PUBLIC	LOTTIE MOON CHRISTMAS OFFERING	5,000.
WOODLAND HEIGHT BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD, TX 76021		PUBLIC	WALKWAY IMPROVEMENTS	5,000.
TEXAS BAPTIST MEN 5351 CATRON DALLAS, TX 75227		PUBLIC	DISASTER RELIEF/MISSIONS	5,000.
DALLAS BAPTIST UNIVERSITY 3000 MOUNTAIN CREEK PARKWAY DALLAS, TX 75211		PUBLIC	CHAIR OF PRAYER	5,000.
AMERICAN BIBLE SOCIETY 1865 BROADWAY NEW YORK, NY 10023		PUBLIC	BIBLES FOR ARMED SERVICES	20,000.
WOODLAND HEIGHT BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD, TX 76021		PUBLIC	BUDGET FUND	8,525.
AMERICAN HEART ASSOCIATION P O BOX 7851 PHOENIX, AZ 85062		PUBLIC	REDUCTION OF HEART DISEASE/STROKE	500.
WOODLAND HEIGHTS BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD, TX 76021		PUBLIC	ANNIE ARMSTRONG MISSIONS	5,000.
WOODLAND HEIGHTS BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD, TX 76021		PUBLIC	CHRISTMAS FUND	500.

Herman &amp; Patsy Smith Charitable Foundatn

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Statement 8 (continued)  
Form 990-PF, Part XV, Line 3a  
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
DENISON FORUM ON TRUTH AND CULTURE 17304 PRESTON RD, SUITE 1060 DALLAS, TX 75252		PUBLIC	ONLINE MINISTRY	\$ 1,000.
Total \$				<u>225,509.</u>

STATEMENT 9  
Form 990-PF, Part II, Line 10b  
Investments - Corporate Stock

Stock Name	# Shares	Book Value	FMV
AT & T	2,250	77,925	75,848
Buckeye Partners LP	2,500	120,284	113,525
ConocoPhillips	300	17,273	17,397
Continental Res Inc Okla	850	68,262	62,467
Duke Energy Corp	2,500	155,028	159,500
Energy XXI (Bermuda)	7,500	264,997	241,275
Exelon Corp	6,050	233,722	179,927
Freeport McMoran Copper & Gold	700	22,884	23,940
Halcon Res Corp	8,000	60,293	55,360
Linn Energy LLC	1,000	29,575	35,240
McMoran Exploration Co	7,500	97,112	120,375
Microsoft Corp.	2,300	64,512	61,433
Northern Oil & Gas	6,250	132,844	105,125
Nustar Energy LP	2,500	115,583	106,200
Oasis Petroleum Inc	5,500	162,819	174,900
Pepsico Inc	2,000	124,708	136,860
Permian Basin Royalty Tr	6,000	76,696	73,560
Potash Corp	1,100	49,884	44,759
Powershares Exchange Traded Fd	10,000	301,308	302,400
Proctor & Gamble Co	1,500	89,483	101,835
Proshares Tr Ultrashort O & G	3,750	78,187	78,900
Sector Spdr Tr Shs Ben Int Energy	3,500	254,703	249,970
Spdr Gold Tr	2,000	339,914	324,040
Triangle Petroleum Corp	10,900	67,644	65,291
V F Corp	100	13,924	15,097
Wells Fargo & Co	2,500	84,954	85,450
Whiting Pete Corp	1,100	59,745	47,707
Whiting USA Tr II Tr Unit	12,500	281,894	191,625
Totals	112,650	3,446,157	3,250,006

Herman &amp; Patsy Smith Charitable Foundatn

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**Other Income Producing Activities**  
**Interest on savings & cash investments**

PASSTHROUGH FROM BUCKEYE PARTNERS LP K-1	\$	13.
PASSTHROUGH FROM LINN ENERGY LLC K-1		28.
PASSTHROUGH FROM NUSTAR ENERGY LP K-1		39.
Total	\$	<u>80.</u>

**Other Income Producing Activities**  
**Dividends/interest from securities.**

PASSTHROUGH FROM BUCKEYE PARTNERS LP K-1	\$	20.
PASSTHROUGH FROM NUSTAR ENERGY LP K-1		12.
NATIONAL FINANCIAL SERVICES LLC		60,191.
NATL FINANCIAL SVC LLC-2013 RECEIPT/2012 1099		-1,298.
Total	\$	<u>58,925.</u>

**Other Income Producing Activities**  
**Other investment income [O]**

PASSTHRU ORDINARY GAIN ON SALES FROM LINN ENERGY K-1	\$	6,305.
PASSTHRU FROM K-1'S		13,933.
PERMIAN BASIN ROYALTY TRUST		434.
Total	\$	<u>20,672.</u>

**Operating & Administrative Exp. (990-PF)**  
**Book depreciation (see Screen 37)[O]**

DEPLETION FROM LINN ENERGY LLC	\$	7,197.
Total	\$	<u>7,197.</u>

**Balance Sheet**  
**Corporate stock (Form 990-PF)[O]**

SEE STATEMENT #9	\$	3,446,158.
Total	\$	<u>3,446,158.</u>

**Balance Sheet**  
**Deferred revenue**

CALL (VFC) V F CORP JAN 19 13 \$165 (100 SHS)	\$	201.
Total	\$	<u>201.</u>

FMV of Assets (990-PF)  
Corporate stock [O]

SEE STATEMENT #9

Total \$ 3,250,005.  
\$ 3,250,005.

## IRC SECTION 751 STATEMENT

The taxpayer has reported ordinary income upon the disposition of units in Linn Energy, LLC, as provided by the General Partner. The amount was determined in accordance with Internal Revenue Code Section 751. Detailed information is available in the office of the General Partner upon request.