Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ **Do not enter social security numbers on this form as it may be made public.**

▶ **Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf*.**

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning , 2015, and ending , 20

Name of foundation: THE EVELYN D. SCHMIDT CHARITABLE TRUST

Number and street (or P O box number if mail is not delivered to street address): P. O. BOX 51549

Room/suite:

City or town, state or province, country, and ZIP or foreign postal code: DURHAM NC 27717-1549

A Employer identification number: 35-7033142

B Telephone number (see instructions): 919-493-8411

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. ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ 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, col. (c), line 16)* ▶ $ 724,040.00

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

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Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc, received (attach schedule)				
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	30	30	30	
	4	Dividends and interest from securities	14,043	14,043	14,043	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	(2,682)			
	b	Gross sales price for all assets on line 6a 883,742				
	7	Capital gain net income (from Part IV, line 2)		0.00		
	8	Net short-term capital gain			11,943	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)	0.00			
	11	Other income (attach schedule)	1,762	1,762	1,762	
	12	**Total.** Add lines 1 through 11	13,153.00	15,835.00	27,778.00	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.	3,000	3,000	3,000	3,000
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	727	727	727	727
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	16,602	16,602	16,602	16,602
	24	**Total operating and administrative expenses.** Add lines 13 through 23	20,329.00	20,329.00	20,329.00	20,329.00
	25	Contributions, gifts, grants paid	27,570			27,570
	26	**Total expenses and disbursements.** Add lines 24 and 25	47,899.00	20,329.00	20,329.00	47,899.00
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	(34,746.00)			
	b	**Net investment income** (if negative, enter -0-)		0.00		
	c	**Adjusted net income** (if negative, enter -0-)			7,449.00	

For Paperwork Reduction Act Notice, see instructions.

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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	136,535	65,899	65,899
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see 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)			
	b	Investments—corporate stock (attach schedule)			
	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)	646,879	682,769	658,141
	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)	783,414.00	748,668.00	724,040.00
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)	0.00	0.00	
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.			
	27	Capital stock, trust principal, or current funds	783,414	748,668	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	783,414.00	748,668.00	
	31	**Total liabilities and net assets/fund balances** (see instructions)	783,414.00	748,668.00	

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	783,414.00
2	Enter amount from Part I, line 27a	2	(34,746.00)
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	748,668.00
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	748,668.00

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	SEE ATTACHED	P	SEE ATTACHED	SEE ATTACHED
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	883,742		886,424	(2,682.00)
b				
c				
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	(2,682.00)
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	11,943

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

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

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

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

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2014	31,593	487,528	0.0648
2013	2,516	43,007	0.0585
2012			
2011			
2010			

2	**Total** of line 1, column (d)	2	0.1233
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	.06165
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	766,121
5	Multiply line 4 by line 3	5	47,231.36
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	0
7	Add lines 5 and 6	7	47,231.36
8	Enter qualifying distributions from Part XII, line 4	8	47,899

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)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______________ **(attach copy of letter if necessary—see instructions)**					
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).					
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2		
3	Add lines 1 and 2			3	0	00
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4		
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	0	00
6	Credits/Payments:					
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	353			
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	353	00
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ 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	00
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	353	00
11	Enter the amount of line 10 to be: **Credited to 2016 estimated tax ▶** 353 **Refunded ▶**			11	0	00

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*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.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______________ **(2)** On foundation managers. ▶ $ ______________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		X
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		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?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	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 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ NONE

14 The books are in care of ▶ E. J. WALKER, JR. Telephone no ▶ 919-493-8411

Located at ▶ STE 100, 240 LEIGH FARM ROAD ZIP+4 ▶ 27707

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2015, 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		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 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 ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ 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 ☒ 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 ☒ 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)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶☐			
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 2015?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? ☐ Yes ☐ 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.)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 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 ☐ No			
b	If "Yes," did it have excess business holdings in 2015 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 2015.)*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b		X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (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)? **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** | Yes: | No: X

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

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (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
EVELYN D. SCHMIDT, M.D. HILLCREST CONVALESCENT CENTER 1417 W. PETTIGREW ST., DURHAM, NC	TRUSTEE NONE	NONE	NONE	NONE
E. J. WALKER, JR., ESQ. STE 100, 240 LEIGH FARM ROAD DURHAM, NC 27707	TRUSTEE 2.5	3,000	NONE	NONE

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 ▶

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		
Total number of others receiving over $50,000 for professional services ▶		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 THE TRUST MADE GRANTS TO 10 501(C)(3) PUBLIC CHARITIES DURING 2015	16,602
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 2	Amount
1 NONE	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	0.00

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	632,777
b	Average of monthly cash balances			1b	133,344
c	Fair market value of all other assets (see instructions)			1c	
d	**Total** (add lines 1a, b, and c)			1d	766,121.00
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e			
2	Acquisition indebtedness applicable to line 1 assets			2	
3	Subtract line 2 from line 1d			3	766,121.00
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)			4	
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	766,121.00
6	**Minimum investment return.** Enter 5% of line 5			6	38,306.05

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	38,306.05
2a	Tax on investment income for 2015 from Part VI, line 5	2a	0		
b	Income tax for 2015 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	0.00
3	Distributable amount before adjustments Subtract line 2c from line 1			3	38,306.05
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	38,306.05
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	38,306.05

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	47,899
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	47,899.00
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)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	47,899.00

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 2014	(c) 2014	(d) 2015
1	Distributable amount for 2015 from Part XI, line 7					38,306.05
2	Undistributed income, if any, as of the end of 2015					
a	Enter amount for 2014 only					
b	Total for prior years: 20____,20____,20____					
3	Excess distributions carryover, if any, to 2015					
a	From 2010					
b	From 2011					
c	From 2012					
d	From 2013	1,970				
e	From 2014	7,560				
f	**Total** of lines 3a through e		9,530.00			
4	Qualifying distributions for 2015 from Part XII, line 4 ▶ $ 47,899					
a	Applied to 2014, but not more than line 2a					
b	Applied to undistributed income of prior years (Election required—see instructions)					
c	Treated as distributions out of corpus (Election required—see instructions)					
d	Applied to 2015 distributable amount					38,605.05
e	Remaining amount distributed out of corpus		9,294			
5	Excess distributions carryover applied to 2015 *(If an amount appears in column (d), the same amount must be shown in column (a).)*					
6	**Enter the net total of each column as indicated below:**					
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5		18,824.00			
b	Prior years' undistributed income Subtract line 4b from line 2b			0.00		
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					
d	Subtract line 6c from line 6b Taxable amount—see instructions			0.00		
e	Undistributed income for 2014. Subtract line 4a from line 2a Taxable amount—see instructions				0.00	
f	Undistributed income for 2015 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016					0.00
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)					
8	Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions)					
9	**Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a		18,824.00			
10	Analysis of line 9					
a	Excess from 2011					
b	Excess from 2012					
c	Excess from 2013	1,970				
d	Excess from 2014	7,560				
e	Excess from 2015	9,294				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, 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			
	(a) 2015	(b) 2014	(c) 2013	(d) 2012	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0.00
b 85% of line 2a	0.00	0.00	0.00	0.00	0.00
c Qualifying distributions from Part XII, line 4 for each year listed . .					0.00
d Amounts included in line 2c not used directly for active conduct of exempt activities					0.00
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c .	0.00	0.00	0.00	0.00	0.00
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter.					
(1) Value of all assets					0.00
(2) Value of assets qualifying under section 4942(j)(3)(B)(i) . .					0.00
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0.00
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) .					0.00
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . .					0.00
(3) Largest amount of support from an exempt organization .					0.00
(4) Gross investment income . .					0.00

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).)

Evelyn D. Schmidt, MD

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 address of the person to whom applications should be addressed

E. J. WALKER. JR., P. O. Box 51549, Durham, NC 27717-1549; 919-493-8411

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

LETTER; DESCRIBE MISSION IN DETAIL; NEED FOR GRANT; PROVIDE LATEST FINANCIALS & IRS LETTER

c Any submission deadlines

NONE

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

BASICALLY NONE; TRUST'S PRIMARY INTEREST IS ADDRESSING HUMAN NEEDS

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
a *Paid during the year*				
SEE ATTACHED				
				27,570
Total . . . . ▶ **3a**				27,570.00
b *Approved for future payment*				
NA				
Total . . . . ▶ **3b**				0.00

Part XVI-A Analysis of Income-Producing Activities

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	
1 Program service revenue.					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					30
4 Dividends and interest from securities					14,043
5 Net rental income or (loss) from real estate.					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					1,762
8 Gain or (loss) from sales of assets other than inventory					(2,682)
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.00		0.00	13,153.00

13 **Total.** Add line 12, columns (b), (d), and (e) . . 13 13,153.00

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
3,4,6	ALL AIDED THE TRUST IN ITS GRANTMAKING TO PUBLIC CHARITIES

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

			Yes	No
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 of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

Sign Here

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) is based on all information of which preparer has any knowledge

▶ EJWalker Jr. | 07/08/16 ▶ Trustee

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
EDWIN J. WALKER, JR.ESQ	EJWalker Jr	07/08/16		P00183456

Firm's name ▶ WALKER LAMBE RHUDY COSTLEY & GILL, PLLC | Firm's EIN ▶ 56-1372564

Firm's address ▶ P. O. BOX 51549, DURHAM, NC 27717-1549 | Phone no 919-493-8411

The Evelyn D. Schmidt Charitable Trust -- 2015 990PF
EIN: 35-7033142

1	*Revenue received (part I)*			
2				
3	from whom		amount:	
4	Investments -- capital gains distr		1,762.00	
5				
6	*Expenses paid (Part I):*			
7				
8	to whom:	for:	amount:	
9				
10	Foreign governments	Income taxes	58.00	
11	US Treasury	Excise taxes	669.00	727.00
12	Morgan Stanley	Investment management	16,602.00	
13	E. J. Walker, Jr.	Trustee fee	3,000.00	
14				
15	*Investments (Part II):*			
16				
17	Other Assets	Open end Mut Fnds	see attached Morgan Stanley statement	
18				
19	*Statements regarding activities (Part VII-A, line 10)*			
20				
21	Evelyn D. Schmidt, MD, Grantor and Trustee of Trust, 1417 W Pettigrew ST., Durham, NC 27705			

The Evelyn D. Schmidt Charitable Trust -- 2015 990PF
EIN 35-7033142

List of Grantees	Foundation Status	Purpose	Amount
Meals on Wheels of Durham, Inc 2522 Ross Road Durham, North Carolina 27703	Public Charity	General Support	$ 2,730 00
The Salvation Army PO Box 1330 Durham, North Carolina 27702	Public Charity	General Support	$ 2,730.00
John Avery Boy's & Girl's Club 808 Pettigrew Street Durham, North Carolina 27701	Public Charity	General Support	$ 2,730.00
American Red Cross 4737 University Drive Durham, North Carolina 27707	Public Charity	General Support	$ 2,730.00
Durham Striders Youth Association P O Box 15758 Durham, North Carolina 27704	Public Charity	General Support	$ 2,730.00
Durham Literacy Center P O Box 52209 Durham, North Carolina 27717	Public Charity	General Support	$ 2,730 00
North Carolina Central University 1801 Fayetteville Street Durham, North Carolina 27707	Public Charity	General Support	$ 2,730.00
Senior PharmAssist 406 Rigsbee Avenue Durham, North Carolina 27701-2186	Public Charity	General Support	$ 3,000 00
Southern Poverty Law Center 400 Washington Avenue Montgomery, Alabama 36104	Public Charity	General Support	$ 2,730 00
The Animal Protection Society of Durham 2117 East Club Boulevard Durham, North Carolina 27704	Public Charity	General Support	$ 2,730 00
Total 2015 grants			$ 27,570 00

Consolidated Summary ALL Accounts

BALANCE SHEET (^ includes accrued interest)

	Last Period (as of 11/30/15)	This Period (as of 12/31/15)
Cash, BDP, MMFs	$173,918 05	$65,901 49
Stocks	298,253 00	404,799 00
ETFs & CEFs	162,033 45	153,210 24
Mutual Funds	95,491 99	100,784 30
Net Unsettled Purchases/Sales	—	(653 33)
Total Assets	**$729,696.49**	**$724,041.70**
Total Liabilities (outstanding balance)	—	—
TOTAL VALUE	**$729,696.49**	**$724,041.70**

CASH FLOW

	This Period (12/1/15-12/31/15)	This Year (1/1/15-12/31/15)
OPENING CASH, BDP, MMFs	**$173,918.05**	**$145,030.75**
Purchases	(141,342 02)	(919,443.56)
Dividend Reinvestments	(3,163.38)	(5,824 94)
Sales and Redemptions	30,692 92	885,252 57
2014 Net Unsettled Purch/Sales	N/A	(8,495 59)
Net Unsettled Purch/Sales	653 33	653 33
Income and Distributions	5,142 59	16,570 43
Total Investment Related Activity	**$(108,016.56)**	**$(31,287.76)**
Other Debits	—	(16,602 50)
Total Cash Related Activity	**—**	**$(16,602.50)**
Checks Written	—	(31,239.00)
Total Card/Check Activity	**—**	**$(31,239.00)**
CLOSING CASH, BDP, MMFs	**$65,901.49**	**$65,901.49**

Account Detail

Portfolio Management Active ~~Assets Account~~
760-013378-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-CORE EQUITY

Investment Objectives†: Income, Capital Appreciation, Aggressive Income, Speculation

Investment Advisory Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change

HOLDINGS

This section reflects positions purchased/sold on a trade date basis "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date Actual income or yield may be lower or higher than the estimates Current yield reflects the income generated by an investment, and does not reflect changes in its price Structured Investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e g , Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
CASH	**$165.05**			
MORGAN STANLEY BANK N.A. #	**13,900.07**	—	3.00	0 020

	Percentage of Holdings	Market Value	Est Ann Income
CASH, BDP, AND MMFs	**9.49%**	**$14,065.12**	**$3.00**

 # Bank Deposits are held at Morgan Stanley Bank, N A and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member.

EXCHANGE-TRADED & CLOSED-END FUNDS

Global Investment Manager Analysis (GIMA) status codes (FL, AL or NL), may be shown for certain exchange-traded funds and are not guarantees of performance Refer to "GIMA Status in Investment Advisory Programs" in the June or December statement for a description of these status codes

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
ISHARES MSCI EAFE SM CAP ETF (SCZ)	10/9/15	120 000	$49 900	$49 950	$5,988 02	**$5,994.00**	$5 98 ST	$123 00	2 05
GIMA Status: AL, Next Dividend Payable 06/2016, Asset Class. Equities									
ISHARES MSCI USA MIN VOL ETF (USMV)	10/16/15	360 000	41 350	41 820	14,886 00	**15,055.20**	169.20 ST	304 00	2 01
GIMA Status. AL, Next Dividend Payable 03/2016; Asset Class. Equities									
ISHARES S&P 500 GRWTH ETF (IVW)	8/6/14	92 000	103 298	115 800	9,503 38	10,653 60	1,150 22 LT		
	11/17/14	33 000	111 122	115 800	3,667 04	3,821 40	154 36 LT		

Account Detail

Portfolio Management Active Assets Account
760-013378-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-CORE EQUITY

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
	Total	125 000			13,170 42	**14,475.00**	1,304 58 LT	219 00	1 51
GIMA Status AL, Next Dividend Payable 03/2016, Asset Class Equities									
ISHARES S&P 500 VAL ETF (IVE)	8/6/14	95 000	88 378	88 530	8,395 87	8,410 35	14 48 LT		
	4/20/15	41 000	94 390	88 530	3,869 97	3,629 73	(240 24) ST		
	Total	136.000			12,265 84	**12,040.08**	14 48 LT (240 24) ST	294 00	2.44
GIMA Status AL, Next Dividend Payable 03/2016, Asset Class Equities									
ISHARES S&P MID-CAP 400 G ETF (IJK)	8/6/14	42 000	150 360	160 960	6,315 12	6,760 32	445.20 LT		
	10/9/15	7.000	164.246	160.960	1,149 72	1,126 72	(23 00) ST		
	Total	49 000			7,464 84	**7,887.04**	445 20 LT (23 00) ST	88 00	1 11
GIMA Status. AL, Next Dividend Payable 03/2016, Asset Class Equities									
ISHARES S&P MID-CAP 400 V ETF (IJJ)	12/28/15	53 000	118 144	117 200	6,261 65	**6,211.60**	(50 05) ST	114 00	1 83
GIMA Status AL, Next Dividend Payable 03/2016, Asset Class Equities									
ISHARES S&P SMLL-CAP 600 V ETF (IJS)	12/15/15	65.000	108 174	108 160	7,031 32	**7,030.40**	(0 92) ST	112.00	1 59
GIMA Status. AL, Next Dividend Payable 03/2016, Asset Class Equities									
ISHARES SHORT MATURITY BOND (NEAR)	10/9/15	895 000	50 067	50 020	44,810.32	**44,767.90**	(42 42) ST	380 00	0 84
Next Dividend Payable 01/2016, Asset Class FI & Pref									
ISHARES SMALL CAP 600 G ETF (IJT)	8/6/14	13 000	114 340	124.310	1,486 42	1,616 03	129 61 LT		
	4/20/15	13 000	130 399	124 310	1,695 19	1,616 03	(79 16) ST		
	Total	26 000			3,181 61	**3,232.06**	129 61 LT (79.16) ST	37 00	1 14
GIMA Status AL, Next Dividend Payable 03/2016; Asset Class. Equities									
PROSHARES TR (PSQ)	10/16/15	135.000	54 900	52 200	7,411.48	**7,047.00**	(364 48) ST	—	—
Next Dividend Payable 03/2016, Asset Class Alt									
SPDR SSGA ULTRA SHORT TERM BND (ULST)	10/15/15	1 000	39 990	39 900	39 99	**39.90**	(0 09) ST	—	—
Next Dividend Payable 01/07/16, Asset Class FI & Pref									
WISDOMTREE EUROPE HEDGED EQUIT (HEDJ)	8/28/15	62.000	58 166	53 810	3,606 30	**3,336.22**	(270 08) ST	79.00	2 36
GIMA Status. AL, Next Dividend Payable 03/2016, Asset Class Equities									
WISDOMTREE TRUST INDIA (EPI)	10/9/15	72 000	20 799	19 860	1,497.56	1,429 92	(67 64) ST		
	12/28/15	69.000	19 871	19 860	1,371 12	1,370 34	(0 78) ST		
	Total	141 000			2,868 68	**2,800.26**	(68 42) ST	34 00	1 21

Account Detail

Portfolio Management Active Assets Account
760-013378-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-CORE EQUITY

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
Next Dividend Payable 03/2016, Asset Class Equities									
WISDOMTREE TRUST JAPN HEDGE EQ (DXJ)	8/6/14	33.000	48.760	50 080	1,609 08	1,652 64	43 56 LT		
	11/17/14	52 000	53 932	50 080	2,804 46	2,604 16	(200 30) LT		
	Total	85 000			4,413 54	**4,256.80**	(156 74) LT	64 00	1 50
GIMA Status AL, Next Dividend Payable 03/2016, Asset Class Equities									

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	**90.51%**	**$133,400.01**	**$134,173.46**	**$1,737.13 LT** **(963.68) ST**	**$1,848.00**	**1.38%**

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		**$133,400.01**	**$148,238.58**	**$1,737.13 LT** **$(963.68) ST**	**$1,851.00** **$0.00**	**1.25%**
TOTAL VALUE (includes accrued interest)	**100.00%**		**$148,238.58**			

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

ALLOCATION OF ASSETS

	Cash	Equities	Fixed Income & Preferred Securities	Alternatives	Annuities & Insurance	Structured Investments	Other
Cash, BDP, MMFs	$14,065.12	—	—	—	—	—	—
ETFs & CEFs	—	$82,318 66	$44,807 80	$7,047 00	—	—	—
TOTAL ALLOCATION OF ASSETS	**$14,065.12**	**$82,318.66**	**$44,807.80**	**$7,047.00**	—	—	—

ACTIVITY

CASH FLOW ACTIVITY BY DATE

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Credits/(Debits)
12/7	12/7	Dividend	ISHARES SHORT MATURITY BOND				$34 30
12/9	12/9	Dividend	SPDR SSGA ULTRA SHORT TERM BND				0 01
12/15	12/18	Sold	PROSHARES TR	ACTED AS AGENT	136 000	51 8800	7,055 55

Account Detail

Portfolio Management Active ~~Assets Account~~
760-013350-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-REITS/MLP/COMM

Investment Objectives†: Income, Capital Appreciation, Aggressive Income, Speculation

Investment Advisory Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change

HOLDINGS

This section reflects positions purchased/sold on a trade date basis "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price. Structured Investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e.g., Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY BANK N.A. #	**$5,837.46**	—	$1.00	0 020

	Percentage of Holdings	Market Value	Est Ann Income
CASH, BDP, AND MMFs		**$5,837.46**	**$1.00**
NET UNSETTLED PURCHASES/SALES		**$(653.33)**	
CASH, BDP, AND MMFs (PROJECTED SETTLED BALANCE)	**4.15%**	**$5,184.13**	

 # Bank Deposits are held at Morgan Stanley Bank, N A and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member

The "Projected Settled Balance" includes accrued interest on deposits and reflects the impact of unsettled purchases/sales.

EXCHANGE-TRADED & CLOSED-END FUNDS

Global Investment Manager Analysis (GIMA) status codes (FL, AL or NL), may be shown for certain exchange-traded funds and are not guarantees of performance Refer to "GIMA Status in Investment Advisory Programs" in the June or December statement for a description of these status codes

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
FIRST TRUST NORTH AMERICAN E (EMLP) *GIMA Status AL, Next Dividend Payable 03/2016, Asset Class Alt*	12/24/14	256 000	$28 050	$20 180	$7,180 80	**$5,166.08**	$(2,014 72) LT	$239.00	4 62

Account Detail

Portfolio Management Active Assets Account
760-013350-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-REITS/MLP/COMM

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
ISHARES SILVER SHARES (SLV)	8/6/14	429 000	19 247	13.190	8,257.09	**5,658.51**	(2,598 58) LT	—	—
Asset Class Alt									
VANGUARD REIT ETF (VNQ)	12/30/15	103 000	80 589	79 730	8,300 71	**8,212.19**	(88 52) ST	322 00	3 92
GIMA Status AL, Next Dividend Payable 03/2016, Asset Class. Alt									

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
EXCHANGE-TRADED & CLOSED-END FUNDS	**15.23%**	**$23,738.60**	**$19,036.78**	**$(4,613.30) LT** **(88.52) ST**	**$561.00**	**2.95%**

MUTUAL FUNDS

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

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

"Net Value Increase/ (Decrease)" reflects the difference between your total purchases, and the sum of the current value of the fund's shares, and cash distributions shown This calculation is for informational purposes only and does not reflect your total unrealized gain or loss nor should it be used for tax purposes.Global Investment Manager Analysis (GIMA) status codes (FL, AL or NL), may be shown for certain mutual funds and are not guarantees of performance Refer to "GIMA Status in Investment Advisory Programs" in the June or December statement for a description of these codes

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
AQR MANAGED FUTURES STRATEGY I (AQMIX)	8/26/15	1,102 812	$11 270	$10 180	$12,428 69	$11,226 63	$(1,202 06) ST		
	Purchases	1,102 812			12,428 69	**11,226.63**	(1,202 06) ST		
Short Term Reinvestments		71.749			731 12	730 40	(0 72) ST		
	Total	1,174.561			13,159 81	**11,957.03**	(1,202 78) ST	—	—
Total Purchases vs Market Value					12,428 69	11,957 03			
Net Value Increase/(Decrease)						(471 66)			
GIMA Status FL; Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class· Alt									
DEUTSCHE ENHANCED COMM STRAT S (SKSRX)	12/23/14	520 134	13.900	11.380	7,229.86	5,919 12	(1,310.74) LT		
	Purchases	520 134			7,229 86	**5,919.12**	(1,310 74) LT		
Short Term Reinvestments	·	1 407			17 12	16 01	(1 11) ST		
	Total	521 541			7,246.98	**5,935.14**	(1,310 74) LT (1.11) ST	134 00	2 25
Total Purchases vs Market Value					7,229.86	5,935 14			
Net Value Increase/(Decrease)						(1,294.72)			
Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class· Alt									

Account Detail

Portfolio Management Active Assets Account
760-013350-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-REITS/MLP/COMM

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
DIAMOND HILL LONG-SHORT I (DHLSX)	12/30/15	236 279	23.880	23.770	5,642 35	**5,616.35**	(26 00) ST	—	—
GIMA Status FL, Asset Class Alt									
FRANKLIN K2 ALTRNTV STRTGS ADV (FABZX)	8/27/15	918 036	10 980	10 650	10,080.03	9,777 08	(302 95) ST		
	Purchases	918.036			10,080 03	**9,777.08**	(302 95) ST		
Short Term Reinvestments		17 328			184 71	184 54	(0 17) ST		
	Total	935 364			10,264 74	**9,961.63**	(303 12) ST	153.00	1 53
Total Purchases vs Market Value					10,080 03	9,961 63			
Net Value Increase/(Decrease)						(118 40)			
Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class Alt									
HIGHLAND LG SHT HEALTHCARE Z (HHCZX)	10/12/15	679 738	15 250	13.620	10,366.01	9,258 03	(1,107 98) ST		
	Purchases	679 738			10,366 01	**9,258.03**	(1,107 98) ST		
Short Term Reinvestments		28 618			395 22	389 78	(5 44) ST		
	Total	708.356			10,761 23	**9,647.81**	(1,113 42) ST	—	—
Total Purchases vs Market Value					10,366 01	9,647.81			
Net Value Increase/(Decrease)						(718 20)			
Enrolled In MS Dividend Reinvestment; Capital Gains Reinvest, Asset Class Alt									
JOHN HANCOCK GLB ABS RET STR I (JHAIX)	8/26/15	905 438	11.050	10 400	10,005 09	9,416 56	(588.53) ST		
	Purchases	905 438			10,005 09	**9,416.56**	(588 53) ST		
Short Term Reinvestments		62 583			651 49	650.86	(0 63) ST		
	Total	968 021			10,656 58	**10,067.42**	(589.16) ST	560 00	5 56
Total Purchases vs Market Value					10,005 09	10,067 42			
Net Value Increase/(Decrease)						62 33			
Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest; Asset Class. Alt									
LOCORR MARKET TREND I (LOTIX)	10/12/15	1,240 819	11 910	12 020	14,778 15	14,914 64	136 49 ST		
	Purchases	1,240 819			14,778 15	**14,914.64**	136 49 ST		
Short Term Reinvestments		11 603			139.24	139.47	0 23 ST		
	Total	1,252 422			14,917 39	**15,054.11**	136 72 ST	111 00	0 73
Total Purchases vs Market Value					14,778.15	15,054 11			
Net Value Increase/(Decrease)						275 96			
Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class Alt									
NUVEEN REAL ESTATE SEC FUND I (FARCX)	8/6/14	732 027	22 950	22 970	16,800.01	16,814 66	14 65 LT		
	Purchases	732 027			16,800 01	**16,814.66**	14 65 LT		
Long Term Reinvestments		43 871			1,036 06	1,007 72	(28 34) LT		
Short Term Reinvestments		66 503			1,511 59	1,527 57	15 98 ST		

Account Detail

Portfolio Management Active Assets Account
760-013350-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-REITS/MLP/COMM

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
	Total	842.401			19,347 66	**19,349.95**	(13 69) LT 15 98 ST	570 00	2 94
Total Purchases vs Market Value					16,800 01	19,349 95			
Net Value Increase/(Decrease)						2,549 94			
Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class. Alt									
PRUDENTIAL GLB REAL ESTATE Z (PURZX)	8/6/14	265 251	24 260	23 680	6,434 99	6,281 14	(153 85) LT		
	Purchases	265 251			6,434 99	**6,281.14**	(153 85) LT		
Long Term Reinvestments		7 435			180 67	176 06	(4 61) LT		
Short Term Reinvestments		9 340			224.83	221 17	(3 66) ST		
	Total	282 026			6,840.49	**6,678.38**	(158 46) LT (3 66) ST	97 00	1 45
Total Purchases vs Market Value					6,434.99	6,678 38			
Net Value Increase/(Decrease)						243 39			
GIMA Status FL, Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class· Alt									
VOYA GLOBAL REAL ESTATE I (IGLIX)	8/6/14	323 529	19 890	19 550	6,434 99	6,324.99	(110 00) LT		
	Purchases	323 529			6,434.99	**6,324.99**	(110 00) LT		
Long Term Reinvestments		1 769			33 65	34.58	0 93 LT		
Short Term Reinvestments		8 026			160 88	156 91	(3 97) ST		
	Total	333 324			6,629 52	**6,516.48**	(109 07) LT (3 97) ST	163 00	2 50
Total Purchases vs Market Value					6,434 99	6,516 48			
Net Value Increase/(Decrease)						81 49			
GIMA Status FL, Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest, Asset Class Alt									

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
MUTUAL FUNDS	**80.62%**	**$105,466.75**	**$100,784.30**	**$(1,591.96) LT** **$(3,090.52) ST**	**$1,788.00**	**1.77%**

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		**$129,205.35**	**$125,005.21**	**$(6,205.26) LT** **$(3,179.04) ST**	**$2,350.00** **$0.00**	**1.88%**
TOTAL VALUE (includes accrued interest)	**100.00%**		**$125,005.21**			

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

Account Detail

Portfolio Management Active ~~Assets Account~~
760-012373-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-INCOME

Investment Objectives†: Income, Capital Appreciation, Aggressive Income, Speculation

Investment Advisory Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change

HOLDINGS

This section reflects positions purchased/sold on a trade date basis "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price Structured Investments, identified on the Position Description Details line as "Asset Class Struct Inv," may appear in various statement product categories. When displayed, the accrued interest, annual income and current yield for those with a contingent income feature (e g , Range Accrual Notes or Contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY BANK N.A. #	**$45,998.91**	—	$9.00	0.020

	Percentage of Holdings	Market Value	Est Ann Income
CASH, BDP, AND MMFs	**10.20%**	**$45,998.91**	**$9.00**

 # Bank Deposits are held at Morgan Stanley Bank, N A and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
CHURCH & DWIGHT CO INC (CHD) *Next Dividend Payable 03/2016, Asset Class Equities*	8/27/15	300.000	$86 183	$84 880	$25,854 84	**$25,464.00**	$(390 84) ST	$402 00	1 57
COGNIZANT TECH SOLUTIONS CL A (CTSH) *Asset Class. Equities*	4/15/15	400 000	63 088	60 020	25,235 04	**24,008.00**	(1,227 04) ST	—	—
DELTA AIR LINES INC NEW (DAL) *Next Dividend Payable 02/2016, Asset Class Equities*	10/1/15	600 000	45 371	50 690	27,222 78	**30,414.00**	3,191 22 ST	324 00	1 06
DELUXE CORPORATION (DLX) *Next Dividend Payable 03/2016, Asset Class. Equities*	3/13/15	500 000	63 855	54 540	31,927 30	**27,270.00**	(4,657 30) ST	600 00	2 20

Account Detail

Portfolio Management Active Assets Account
760-012373-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-INCOME

Security Description	Trade Date	Quantity	Unit Cost	Share Price	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
DISCOVER FINCL SVCS (DFS) *Next Dividend Payable 02/2016, Asset Class Equities*	10/3/14	500 000	64 746	53 620	32,372.75	**26,810.00**	(5,562.75) LT	560.00	2.08
GARTNER INC (IT) *Asset Class· Equities*	12/23/15	300 000	90 793	90 700	27,237 78	**27,210.00**	(27 78) ST	—	—
GENERAL MILLS INC (GIS) *Next Dividend Payable 02/2016; Asset Class· Equities*	4/14/15	500 000	56 801	57.660	28,400 30	**28,830.00**	429 70 ST	880 00	3.05
INGERSOLL-RAND PLC SHS (IR) *Next Dividend Payable 03/2016, Asset Class. Equities*	6/25/15	400 000	68 202	55 290	27,280 72	**22,116.00**	(5,164 72) ST	464 00	2 09
JOHNSON & JOHNSON (JNJ) *Next Dividend Payable 03/2016, Asset Class Equities*	12/23/15	300 000	103 544	102.720	31,063 29	**30,816.00**	(247 29) ST	900.00	2.92
JPMORGAN CHASE & CO (JPM) *Next Dividend Payable 01/2016, Asset Class Equities*	12/10/15	400 000	66 378	66 030	26,551 08	**26,412.00**	(139 08) ST	704 00	2 66
NEWELL RUBBERMAID INC (NWL) *Next Dividend Payable 03/2016, Asset Class Equities*	7/22/15	700 000	41 915	44 080	29,340 22	**30,856.00**	1,515 78 ST	532.00	1.72
TJX COS INC NEW (TJX) *Next Dividend Payable 03/2016, Asset Class. Equities*	11/3/15	400 000	74 171	70.910	29,668 20	**28,364.00**	(1,304 20) ST	336 00	1 18
VERIZON COMMUNICATIONS (VZ) *Next Dividend Payable 02/2016; Asset Class Equities*	2/20/15	600 000	48 865	46 220	29,318 70	**27,732.00**	(1,586 70) ST	1,356.00	4 88
VISA INC CL A (V) *Next Dividend Payable 03/2016, Asset Class Equities*	11/24/15	300 000	79 919	77 550	23,975 70	**23,265.00**	(710 70) ST	168 00	0.72
YAHOO INC (YHOO) *Asset Class Equities*	12/8/15	800 000	34 853	33 260	27,882 72	**26,608.00**	(1,274 72) ST	—	—
COMMON STOCKS					**$423,331.42**	**$406,175.00**	**$(5,562.75) LT** **$(11,593.67) ST**	**$7,226.00**	**1.78%**

OPTIONS

Security Description	Trade Date	Number of Contracts	Unit Cost	Contract Price	Total Cost	Market Value	Unrealized Gain/(Loss)
CALL CHURCH & DWIGHT CO INC AT 90.000 EXPIRES 01/15/2016 **(CHD 160115C00090000)** *Short Position, Asset Class Equities*	11/27/15	(3 000)	$0 945	N/A	$(283 40)	**N/A**	$283.40 ST
CALL COGNIZANT TECH SOLUTIONS AT 62.500 EXPIRES 02/19/2016 **(CTSH 160219C00062500)** *Short Position, Asset Class Equities*	12/29/15	(4.000)	2 000	1.350	(799 98)	**(540.00)**	259 98 ST

Account Detail

Portfolio Management Active Assets Account
760-012373-056

E D SCHMIDT & E J WALKER CO-TTEE
EVELYN D SCHMIDT CHARITABLE TR U/A
Nickname: CHARITABLE-INCOME

Security Description	Trade Date	Number of Contracts	Unit Cost	Contract Price	Total Cost	Market Value	Unrealized Gain/(Loss)
CALL DELTA AIR LINES INC NEW AT 52.500 EXPIRES 01/15/2016 **(DAL 160115C00052500)** *Short Position, Asset Class. Equities*	12/8/15	(6 000)	1 180	0 450	(708.04)	**(270.00)**	438 04 ST
CALL JOHNSON & JOHNSON AT 105.000 EXPIRES 01/29/2016 **(JNJ 160129C00105000)** *Short Position, Asset Class Equities*	12/28/15	(3 000)	1 050	0 640	(314 99)	**(192.00)**	122 99 ST
CALL JP MORGAN CHASE&CO AT 69.000 EXPIRES 01/22/2016 **(JPM 160122C00069000)** *Short Position, Asset Class. Equities*	12/10/15	(4 000)	0 791	0 210	(316 31)	**(84.00)**	232 31 ST
CALL TJX COS INC NEW AT 72.500 EXPIRES 01/15/2016 **(TJX 160115C00072500)** *Short Position, Asset Class Equities*	11/24/15	(4 000)	1 451	0 500	(580 26)	**(200.00)**	380 26 ST
CALL VISA INC CL A AT 80.000 EXPIRES 01/15/2016 **(V 160115C00080000)** *Short Position; Asset Class: Equities*	12/28/15	(3 000)	0 550	0 300	(164 99)	**(90.00)**	74 99 ST
OPTIONS					**$(3,167.97)**	**$(1,376.00)**	**$1,791.97 ST**

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income	Current Yield %
STOCKS	**89.80%**	**$420,163.45**	**$404,799.00**	**$(5,562.75) LT** **$(9,801.70) ST**	**$7,226.00**	**1.78%**
Total Stocks (Long)			$406,175 00			
Total Stocks (Short)			$(1,376 00)			

For listed options that have a cost basis without a corresponding market value, an unrealized gain or loss is included for informational purposes Where market value information is not available, for purposes of calculating the unrealized gain or loss, we assume that market value is $0 In such cases, the unrealized gain or loss may not provide an accurate reflection of the true unrealized gain or loss. For additional information regarding Gain/(Loss) and Pricing, refer to the Expanded Disclosures

	Percentage of Holdings	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		**$420,163.45**	**$450,797.91**	**$(5,562.75) LT** **$(9,801.70) ST**	**$7,235.00** **$0.00**	**1.60%**
TOTAL VALUE (includes accrued interest)	**100.00%**		**$450,797.91**			

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