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 instructions is at *www.irs.gov/form990pf*.

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015, or tax year beginning 01-01-2015 , and ending 12-31-2015

Name of foundation
THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

A Employer identification number
63-6110169

Number and street (or P O box number if mail is not delivered to street address)
P O DRAWER 1628

Room/suite

B Telephone number (see instructions)
(251) 690-1415

City or town, state or province, country, and ZIP or foreign postal code
MOBILE, AL 366331628

C If exemption application is pending, check here ▶ ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 886,580

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

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

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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				
	4	Dividends and interest from securities	21,402	21,402		
	5a	Gross rents				
	b	Net rental income or (loss) ____				
	6a	Net gain or (loss) from sale of assets not on line 10	20,409			
	b	Gross sales price for all assets on line 6a 319,050				
	7	Capital gain net income (from Part IV, line 2)		20,409		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	41,811	41,811		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	12,923	12,923		0
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	1,425	0		1,425
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,402	162		0
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	15,750	13,085		1,425
	25	Contributions, gifts, grants paid	45,796			45,796
	26	**Total expenses and disbursements.** Add lines 24 and 25	61,546	13,085		47,221
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-19,735			
	b	**Net investment income** (if negative, enter -0-)		28,726		
	c	**Adjusted net income** (if negative, enter -0-)				

Part II	**Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets 1	Cash—non-interest-bearing			
2	Savings and temporary cash investments	26,985	8,737	8,737
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)	132,473	136,008	137,966
b	Investments—corporate stock (attach schedule)	205,476	200,786	236,091
c	Investments—corporate bonds (attach schedule)	197,921	207,931	210,438
11	Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	312,033	301,674	293,348
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)	874,888	855,136	886,580
Liabilities 17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)	0	0	
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	874,888	855,136	
28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
29	Retained earnings, accumulated income, endowment, or other funds	0	0	
30	**Total net assets or fund balances** (see instructions)	874,888	855,136	
31	**Total liabilities and net assets/fund balances** (see instructions)	874,888	855,136	

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	874,888
2	Enter amount from Part I, line 27a	2	-19,735
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	855,153
5	Decreases not included in line 2 (itemize) ▶	5	17
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	855,136

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)
1 a	PUBLICLY TRADED SECURITIES	P		
b	CAPITAL GAINS DIVIDENDS	P		
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	312,652		298,641	14,011
b	6,398			6,398
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				14,011
b				6,398
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	20,409
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)
If section 4940(d)(2) applies, leave this part blank

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

1 Enter the appropriate amount in each column for each year, see 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	45,210	961,513	0 047020
2013	41,514	938,518	0 044234
2012	47,291	919,784	0 051415
2011	51,391	946,256	0 054310
2010	46,621	955,106	0 048812

2	**Total** of line 1, column (d).	2	0 245791
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 049158
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5.	4	935,048
5	Multiply line 4 by line 3.	5	45,965
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	287
7	Add lines 5 and 6.	7	46,252
8	Enter qualifying distributions from Part XII, line 4.	8	47,221

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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	287
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2.			3	287
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	287
6	Credits/Payments				
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	1,080		
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	1,080
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** . . . ▶			10	793
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 320 **Refunded** ▶			11	473

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		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?.	1b		No
	*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		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . . *If "Yes," attach a detailed description of the activities.*	2		No
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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?.	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?.	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . . *If "Yes," attach the statement required by General Instruction T.*	5		No
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	Yes	
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ AL			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation* .	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	10		No

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶REGIONS BANK TRUST DEPARTMENT Telephone no ▶(251) 690-1415

Located at ▶11 NORTH WATER ST 28TH FL MOBILE AL ZIP+4 ▶36602

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

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		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) 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		No
	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		No

2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))

a At the end of tax year 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		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b		No

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**		No
	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
REGIONS BANK TRUST DEPARTMENT PO DRAWER 1628 MOBILE, AL 366331628	TRUSTEE 1 00	12,923	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 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. . . . . ▶	0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
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	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 . . . . ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	922,780
b	Average of monthly cash balances.	1b	26,507
c	Fair market value of all other assets (see instructions).	1c	0
d	**Total** (add lines 1a, b, and c).	1d	949,287
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation). — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	949,287
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	14,239
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	935,048
6	**Minimum investment return.** Enter 5% of line 5.	6	46,752

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	46,752
2a	Tax on investment income for 2015 from Part VI, line 5. — 2a: 287		
b	Income tax for 2015 (This does not include the tax from Part VI). — 2b:		
c	Add lines 2a and 2b.	2c	287
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	46,465
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	46,465
6	Deduction from distributable amount (see instructions).	6	0
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	46,465

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	47,221
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	47,221
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	287
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	46,934

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				46,465
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only.			45,796	
b Total for prior years 20___ , 20___ , 20___		0		
3 Excess distributions carryover, if any, to 2015				
a From 2010.				
b From 2011.				
c From 2012.				
d From 2013.				
e From 2014.				
f **Total** of lines 3a through e.	0			
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ $ 47,221				
a Applied to 2014, but not more than line 2a			45,796	
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 2015 distributable amount.				1,425
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2015 *(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 2014 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				45,040
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)	0			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions) . . .	0			
9 **Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2011. . . .				
b Excess from 2012. . . .				
c Excess from 2013. . . .				
d Excess from 2014. . . .				
e Excess from 2015. . . .				

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 organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2015	**(b)** 2014	**(c)** 2013	**(d)** 2012	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . .					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). . . .					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

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

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

a The name, address, and telephone number or email address of the person to whom applications should be addressed

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

c Any submission deadlines

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

Part XV **Supplementary Information** (continued)

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

Recipient 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*				
MOBILE MENTAL HEALTH CENTER 2400 GORDON SMITH DR MOBILE, AL 36617	NONE	PC	FOR PURPOSES DESIGNATED BY BOARD OF TRUSTEES	11,449
UNIVERSITY OF SOUTH ALABAMA 307 UNIVERSITY BLVD MOBILE, AL 36688	NONE	PC	FOR PROVIDING SCHOLARSHIPS	34,347
Total . . . . . . ▶ **3a**				45,796
b *Approved for future payment*				
Total . . . . . . ▶ **3b**				0

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					
4 Dividends and interest from securities. . .			14	21,402	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	20,409	
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		41,811	0

13 Total. Add line 12, columns (b), (d), and (e). **13** 41,811

(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)

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

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

****** | 2016-05-05 | ******

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
J WILBERT JORDAN JR		2016-05-05		P00275848

Firm's name ▶ SMITH DUKES & BUCKALEW LLP | Firm's EIN ▶ 63-0191630

Firm's address ▶ 3800 AIRPORT BLVD MOBILE, AL 366081667 | Phone no (251) 343-1200

TY 2015 Accounting Fees Schedule

Name: THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

EIN: 63-6110169

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAX RETURN PREPARATION	1,425	0		1,425

TY 2015 Investments Corporate Bonds Schedule

Name: THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

EIN: 63-6110169

Name of Bond	End of Year Book Value	End of Year Fair Market Value
4,000 COMCAST CORP BOND	4,021	4,485
5,000 TARGET CORP BOND	4,969	5,279
4,000 HESS CORP BOND	4,335	4,534
5,000 PETROBRAS INTL BOND	5,023	3,925
4,000 TALISMAN ENERGY INC BOND	4,286	4,310
5,000 CITIGROUP INC BOND	4,994	4,960
4,000 GE CAP CORP BOND	4,014	4,510
4,000 GOLDMAN SACHS GROUP BOND	4,184	4,577
5,000 WACHOVIA CORP BOND	5,007	5,293
4,000 CATERPILLAR INC BOND	4,170	4,680
5,000 ORACLE CORP BOND	5,175	5,456
4,000 AT & T INC BOND	4,000	4,339
5,000 PRUDENTIAL FINL BOND	5,068	5,366
5,000 KRAFT FOODS INC	5,001	5,013
5,000 CA INC	5,128	5,396
5000 ANHEUSER-BUSCH BOND	5,012	5,010
5000 AMERICAN EXPRESS CO BOND	4,997	5,012
4000 MERRILL LYNCH CO BOND	3,985	4,413
10000 MORGAN STANLEY BOND	10,036	10,048
5000 SUNTRUST BANK BOND	5,018	5,086

Name of Bond	End of Year Book Value	End of Year Fair Market Value
5000 TOYOTA MOTOR CREDIT BOND	5,052	5,181
5000 INTEL CORP BOND	5,035	5,179
5000 DUKE ENERGY CORP	5,001	5,030
5000 CHEVRON CORP	5,008	4,966
10000 RBC BOND	9,933	9,953
5000 CISCO SYSTEMS INC	5,118	5,032
10000 IBM BOND	10,088	10,060
5000 APPLE INC	4,993	4,959
5000 MARATHON OIL CORP	4,570	4,024
5,000 FORD MOTOR CREDIT	5,004	4,923
5,000 MOLSON COORS CO	5,042	5,028
5,000 WALGREENS BOOTS	5,029	4,851
5,000 JOHN DEERE CAPITAL CORP	5,000	5,019
5,000 PEPSICO INC	4,993	4,974
5,000 DEUTSCHE BANK AG	5,002	4,958
4,000 JP MORGAN CHASE	4,522	4,485
5,000 TORONTO-DOMINION BANK	5,118	5,096
5,000 ASTRAZENECA PLC	5,002	4,986
5,000 GILEAD SCIENCIES INC	4,992	5,042
5,000 UNITED HEALTH GROUP INC	5,006	5,000

TY 2015 Investments Corporate Stock Schedule

Name: THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

EIN: 63-6110169

Name of Stock	End of Year Book Value	End of Year Fair Market Value
50 SHS CVS/CAREMARK CORP	1,670	4,888
25 SHS PEPSICO INC	1,610	2,498
55 SHS EXXON MOBIL CORP	4,537	4,287
80 SHS SCHLUMBERGER LTD	7,117	5,580
35 SHS AMERICAN EXPRESS CO	1,597	2,434
7 SHS BLACKROCK INC	1,388	2,384
75 SHS JP MORGAN CHASE CO	3,408	4,952
30 SHS PRUDENTIAL FINL INC	1,914	2,442
45 SHS MERCK & CO INC	1,500	2,370
25 SHS STRYKER CORP	1,494	2,324
20 SHS THERMO FISHER INC	1,119	2,837
157 SHS GE CO	3,696	4,891
35 SHS 3M CO	3,142	5,272
45 SHS UNITED TECHNOLOGIES CO	4,191	4,323
90 SHS CISCO SYSTEMS INC	1,711	2,444
4 SHS ALPHABET INC CL C	1,849	3,036
150 SHS INTEL CORP	3,207	5,168
185 SHS ORACLE CORP	6,305	6,758
48 SHS QUALCOMM INC	2,689	2,399
100 SHS VERIZON COMMUN	4,373	4,622
50 SHS NEXTRA ENERGY INC	2,759	5,194
135 SHS WELLS FARGO CO	4,590	7,339
60 SHS APPLE INC	5,098	6,316
45 SHS UNION PAC CORP	4,493	3,519
50 SHS HONEYWELL INTL INC	3,830	5,178
26 SHS LYONDELLBASELL INDUS	1,904	2,259
50 SHS INTUIT INC	3,741	4,825
25 SHS MCKESSON CORP	2,703	4,931
130 SHS INVESCO LTD	4,323	4,352
90 SHS CITIGROUP INC	4,432	4,658

Name of Stock	End of Year Book Value	End of Year Fair Market Value
35 SHS PHILLIPS 66	2,007	2,863
40 SHS STARBUCKS CORP	1,478	2,401
45 SHS WALT DISNEY CO	2,473	4,729
55 SHS THE HERSHEY CO	5,312	4,910
25 SHS MEAD JOHNSON CO	2,488	1,974
40 SHS AMERICAN INTL GROUP	2,201	2,479
75 SHS ABBVIE INC	4,751	4,443
20 SHS CELGENE CORP	1,477	2,395
30 SHS FEDEX CORP	5,211	4,470
50 SHS WASTE MGNT INC	2,444	2,669
30 SHS CITRIX SYSTEMS	1,759	2,270
40 SHS COGNIZANT TECH SOL	1,779	2,401
5 SHS ALPHABET INC CL-A	2,800	3,890
45 SHS ECOLAB INC	4,718	5,147
140 SHS AT&T INC	5,083	4,817
30 SHS FACEBOOK INC	2,450	3,140
24 SHS L BRANDS INC	2,356	2,300
20 SHS MCDONALDS CORP	2,368	2,363
78 SHS NIKE INC	3,872	4,875
225 SHS REGAL ENTMT GROUP	5,036	4,246
55 SHS MONDELEZ INTL	2,303	2,466
39 SHS WAL MART STORES	2,361	2,391
95 SHS HOLLYFRONTIER CORP	3,844	3,790
115 SHS SUNTRUST BANKS	4,815	4,927
42 SHS ACE LTD	4,719	4,908
80 SHS BRISTOL MYERS SQUIBB	5,283	5,503
140 SHS PFIZER INC	4,953	4,519
20 SHS VERTEX PHARMACEU	2,562	2,517
60 SHS MEDTRONICS PLC	4,638	4,615
50 SHS MICROCHIP TECH	2,097	2,327

Name of Stock	End of Year Book Value	End of Year Fair Market Value
104 SHS SOUTHERN CO	4,758	4,866

TY 2015 Investments Government Obligations Schedule

Name: THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

EIN: 63-6110169

US Government Securities - End of Year Book Value: 136,008

US Government Securities - End of Year Fair Market Value: 137,966

State & Local Government Securities - End of Year Book Value: 0

State & Local Government Securities - End of Year Fair Market Value: 0

TY 2015 Investments - Other Schedule

Name: THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

EIN: 63-6110169

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
2091 FHLMC POOL	AT COST	2,273	2,308
1305 FHLMC POOL	AT COST	1,404	1,411
2001 FHLMC POOL	AT COST	2,117	2,113
27,000 FNMA POOL	AT COST	27,413	27,252
1397 FNMA POOL	AT COST	1,431	1,502
2427 FNMA POOL	AT COST	2,550	2,574
3401 FNMA POOL	AT COST	3,506	3,522
1116 FHLMC POOL	AT COST	1,184	1,204
1791 FHLMC POOL	AT COST	1,898	1,898
8926 FHLMC POOL	AT COST	9,208	9,016
2398 FNMA POOL	AT COST	2,482	2,543
2284 FNMA POOL	AT COST	2,430	2,484
3526 FNMA POOL	AT COST	3,518	3,645
2949 FHLMC	AT COST	3,086	3,092
3656 FNMA	AT COST	3,663	3,704
8962 FNMA	AT COST	9,231	9,003
4340 FNMA	AT COST	4,337	4,349
1022 FNMA	AT COST	1,088	1,070
2166 FNMA	AT COST	2,336	2,395
11106 FNMA	AT COST	11,491	12,651
1517 FNMA	AT COST	1,725	1,703
1112 FNMA	AT COST	1,191	1,264
899 FNMA POOL	AT COST	980	1,011
1793 FNMA POOL	AT COST	1,896	1,897
INVESCO INTL GROWTH FD	AT COST	33,168	34,057
AM CENTURY SMALL CAP FD	AT COST	20,997	17,257
JP MORGAN MID CAP FD	AT COST	19,221	21,410
MFS RESH INTL FD	AT COST	33,532	32,907
VIRTUS EMERGING MKTS FD	AT COST	4,099	3,518
ARTISAN MID CAP FD	AT COST	22,200	18,184

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
RS SMALL CAP GROWTH FD	AT COST	22,565	22,640
1518 FNMA	AT COST	1,633	1,652
TEMPLETON GLOBAL BOND FD	AT COST	15,000	13,233
2996 FNMA	AT COST	3,164	3,098
2561 FNMA	AT COST	2,657	2,686
JOHN HANCOCK FUNDS III	AT COST	6,500	5,996
PIMCO FOREIGN BOND FD	AT COST	14,500	13,099

TY 2015 Other Decreases Schedule

Name: THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

EIN: 63-6110169

Description	Amount
TIMING DIFFERENCES BOOK AND TAX	17

TY 2015 Taxes Schedule

Name: THADDEUS H WATERMAN TRUST UW
REGIONS BANK TRUSTEE #1255000704

EIN: 63-6110169

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL EXCISE TAXES	1,240	0		0
FOREIGN TAXES	162	162		0