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 07/01, 2015, and ending 06/30, 2016

Name of foundation: R.C. CAFFARELLI EDUCATIONAL FUND FROST BANK TRUSTEE

A Employer identification number: 46-4881149

Number and street (or P O box number if mail is not delivered to street address): P O BOX 2950 TRUST TAX T-8

Room/suite:

B Telephone number (see instructions): (210) 220-4455

City or town, state or province, country, and ZIP or foreign postal code: SAN ANTONIO, TX 78299

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: [X] 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) ▶ $ 8,990,968.

J Accounting method [X] 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 . ▶ [ ]

ENVELOPE POSTMARK DATE NOV 0 3 2016

SCANNED NOV 17 2016

RECEIVED NOV 10 2016 OGDEN UT IRS-OSC

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	162,811.	162,811.		ATCH 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	147,820.			
	b Gross sales price for all assets on line 6a 942,022.				
	7 Capital gain net income (from Part IV, line 2)		147,820.		
	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) ATCH 2	201,093.	198,093.		
	12 **Total** Add lines 1 through 11	511,724.	508,724.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	8,889.	4,445.		4,444.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) ATCH 3	13,000.	6,500.		6,500.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) [4]	20,533.	1,328.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 5	21,951.	21,951.		
	24 **Total operating and administrative expenses** Add lines 13 through 23	64,373.	34,224.		10,944.
	25 Contributions, gifts, grants paid	133,000.			133,000.
	26 Total expenses and disbursements Add lines 24 and 25	197,373.	34,224.	0.	143,944.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	314,351.			
	b **Net investment income** (if negative, enter -0-)		474,500.		
	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	2,761,971.	2,906,072.	2,906,072.
	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) ATCH 6	1,951,635.	2,082,210.	2,167,412.
	c	Investments - corporate bonds (attach schedule) ATCH 7	3,891,923.	3,931,598.	3,917,484.
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)			
	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)	8,605,529.	8,919,880.	8,990,968.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable	235,000.	395,000.	
	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)	235,000.	395,000.	
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. ▶ X			
	27	Capital stock, trust principal, or current funds	8,370,529.	8,524,880.	
	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)	8,370,529.	8,524,880.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	8,605,529.	8,919,880.	

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	8,370,529.
2	Enter amount from Part I, line 27a	2	314,351.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	8,684,880.
5	Decreases not included in line 2 (itemize) ▶ ATCH 8	5	160,000.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	8,524,880.

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 PART IV SCHEDULE			
b				
c				
d				
e				

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

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

	(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	147,820.
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	0.

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	321,797.	9,483,188.	0.033933
2013	69,095.	9,172,622.	0.007533
2012			
2011			
2010			

2	Total of line 1, column (d)	2	0.041466
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	0.020733
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	9,822,190.
5	Multiply line 4 by line 3	5	203,643.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,745.
7	Add lines 5 and 6	7	208,388.
8	Enter qualifying distributions from Part XII, line 4	8	303,944.

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 ▶ [X] and enter 1% of Part I, line 27b	1	4,745.
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	4,745.
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	4,745.
6	Credits/Payments		
a	2015 estimated tax payments and 2014 overpayment credited to 2015 — 6a: 6,708.		
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	6,708.
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	1,963.
11	Enter the amount of line 10 to be **Credited to 2016 estimated tax** ▶ 1,963. **Refunded** ▶	11	

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)? *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*	1b		X
c	Did the foundation file **Form 1120-POL** for this year?	1c		
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		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		
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) ▶ TX,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? 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 ▶ N/A

14 The books are in care of ▶ LINDA NAMESTNIK Telephone no ▶ 210-220-4455

Located at ▶ P.O. BOX 2950 TRUST TAX T-8 SAN ANTONIO, TX ZIP+4 ▶ 78299

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		X
	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 ▶ ______, ______, ______, ______			
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		X
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______, ______, ______, ______			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ 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** | | 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
ATCH 9		8,889.	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 N/A	
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 NONE	
Total. Add lines 1 through 3 . . . . ▶	

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	5,858,944.
b	Average of monthly cash balances	1b	2,797,534.
c	Fair market value of all other assets (see instructions)	1c	1,315,288.
d	**Total** (add lines 1a, b, and c)	1d	9,971,766.
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	9,971,766.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	149,576.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	9,822,190.
6	**Minimum investment return.** Enter 5% of line 5	6	491,110.

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	491,110.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	4,745.		
b	Income tax for 2015 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	4,745.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	486,365.
4	Recoveries of amounts treated as qualifying distributions			4	3,000.
5	Add lines 3 and 4			5	489,365.
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	489,365.

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	143,944.
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	160,000.
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	303,944.
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	4,745.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	299,199.

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				489,365.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			290,171.	
b Total for prior years 20 13 ,20 12 ,20 11				
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 ▶ $ 303,944.				
a Applied to 2014, but not more than line 2a			290,171.	
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				13,773.
e Remaining amount distributed out of corpus				
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				
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
e Undistributed income for 2014 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2015 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016				475,592.
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	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) NOT APPLICABLE

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

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

1 Information Regarding Foundation Managers:

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

N/A

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

N/A

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

ATCH 10

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

SEE ATTACHED APPLICATION

c Any submission deadlines

SEE ATTACHED APPLICATION

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

SEE ATTACHED APPLICATION

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*				
ATCH 11				
Total . . . . ▶ **3a**				133,000.
b *Approved for future payment*				
Total . . . . ▶ **3b**				

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	162,811.	
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			15	198,093.	
8 Gain or (loss) from sales of assets other than inventory			18	147,820.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b ATCH 12				3,000.	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				511,724.	

13 Total Add line 12, columns (b), (d), and (e) . . . . . 13 511,724.

(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)		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
	N/A		N/A

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

▶ Linda W. Armstrong | 11-3-2016 | ▶ Sr. Vice President

Signature of officer or trustee **FROST BANK, 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
STEWART GOODSON	Stewart Goodson	11/01/16		P00084462
Firm's name ▶ ERNST & YOUNG U.S. LLP			Firm's EIN ▶ 34-6565596	
Firm's address ▶ 100 W. HOUSTON ST STE 1700 SAN ANTONIO, TX 78205			Phone no 210-228-9696	

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					177,623.	
		15683.872 FROST CLINIQUE L/C BUY-WRITE F					10/23/2013	11/04/2015
206,400.		181,619.					24,781.	
		1871.378 HARDING LOEVNER INTL EQ FD INST					04/28/2015	01/27/2016
29,886.		36,529.					-6,643.	
		2381.493 LAZARD INTL EQTY PORT-INSTL*					11/06/2014	01/27/2016
37,866.		40,819.					-2,953.	
		1459.493 VANGUARD SM CAP GROWTH ADM*					10/23/2013	01/27/2016
55,315.		60,540.					-5,225.	
		18241.696 HARTFORD WORLD BOND FD INSTL*					07/24/2013	07/28/2015
190,626.		193,362.					-2,736.	
		4972.979 TEMPLETON GLOBAL BOND FUND*					06/24/2011	07/28/2015
59,974.		68,279.					-8,305.	
		15931.930 TEMPLETON GLOBAL FUND*					VARIOUS	04/27/2016
184,332.		213,054.					-28,722.	
TOTAL GAIN(LOSS)							147,820.	

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
DIVIDENDS		162,811.	162,811.
	TOTAL	162,811.	162,811.

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ROYALTY INCOME	198,093.	198,093.
REFUND - RECOVERY OF QUALIFIED DIST	3,000.	
TOTALS	201,093.	198,093.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ERNST & YOUNG LLP	13,000.	6,500.		6,500.
TOTALS	13,000.	6,500.		6,500.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES	1,328.	1,328.
ESTIMATED TAXES - CY	2,205.	
ESTIMATED TAXES -PY & AMENDED	17,000.	
TOTALS	20,533.	1,328.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ROYALTY EXPENSES	9,641.	9,641.
O&G PROCESSING EXPENSE	905.	905.
O&G PRODUCTION TAX	8,668.	8,668.
O&G PROPERTY TAXES	2,737.	2,737.
TOTALS	21,951.	21,951.

ATTACHMENT 6

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
COHEN & STEERS INSTL REALTY FD	91,602.	124,444.
FROST CINQUE L/C BUY-WRITE		
FROST GROWTH EQUITY FUND INSTL	387,570.	504,280.
FROST VALUE EQUITY FD INS	534,190.	520,559.
VANGUARD SMALL-CAP GROWTH		
HARDING LOEVNER INTL EQ FD	223,933.	203,284.
JHANCOCK DISCPLNED VALUE MID	216,502.	209,743.
LAZARD INTL EQTY PORT-INSTL	207,407.	191,274.
T ROWE PRICE MID-CAP GROWTH	216,755.	204,350.
VICTORY SMALL CO OPP FUND	143,982.	140,882.
AMERICAN BEACON STEPHENS SM	60,269.	68,596.
TOTALS	2,082,210.	2,167,412.

ATTACHMENT 7

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
ARTISAN HIGH INCOME FD ADV	130,086.	127,432.
FROST CREDIT FUND INSTL	121,080.	110,910.
FROST LOW DURATION BOND FD I	428,075.	415,764.
FROST TOTAL RETURN BOND FUND	2,672,120.	2,692,077.
HARTFORD FLOATING RATE FUND CL	126,102.	126,102.
HARTFORD WORLD BOND FD INSTL	454,135.	445,199.
TEMPLETON GLOBAL BOND FUND		
TOTALS	3,931,598.	3,917,484.

ATTACHMENT 8

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION		AMOUNT
CURRENT YEAR SET-ASIDE ELECTION		160,000.
	TOTAL	160,000.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 9

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION
FROST BANK P.O. BOX 1600 SAN ANTONIO, TX 78296-1600	TRUSTEE 1.00	8,889.
	GRAND TOTALS	8,889.

Attachment 10

R.C. Caffarelli Educational Fund
46-4881149
Attachment to Part XV, line 2a

www.everychanceeverytexan.org/funding/aid/scholarship/roccocaff.php

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
BAYLOR UNIVERSITY P O BOX 97028 WACO, TX 76798	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
NORTHWEST VISTA COLLEGE 3535 N ELLISON DR SAN ANTONIO, TX 78251	NONE PC	EDUCATIONAL SCHOLARSHIP	3,000
RICE UNIVERSITY P O BOX 1892 HOUSTON, TX 77251	NONE PC	EDUCATIONAL SCHOLARSHIP	5,000
ST EDWARDS UNIVERSITY 3001 S CONGRESS AVE AUSTIN, TX 78704	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
ST MARY'S UNIVERSITY ONE CAMINO SANTA MARIA SAN ANTONIO, TX 78228	NONE PC	EDUCATIONAL SCHOLARSHIP	8,000
TEXAS A&M UNIVERSITY P O BOX 30016 COLLEGE STATION, TX 77843	NONE PC	EDUCATIONAL SCHOLARSHIP	30,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
TEXAS STATE UNIVERSITY 601 UNIVERSITY DR SAN MARCOS, TX 78666	NONE PC	EDUCATIONAL SCHOLARSHIP	
TEXAS TECH UNIVERSITY P O BOX 45011 LUBBOCK, TX 79409	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
TRINITY UNIVERSITY ONE TRINITY PLACE SAN ANTONIO, TX 78212	NONE PC	EDUCATIONAL SCHOLARSHIP	3,000
UNIVERSITY OF HOUSTON 31 E CULLEN BLDG HOUSTON, TX 77204	NONE PC	EDUCATIONAL SCHOLARSHIP	4,000
UNIVERSITY OF THE INCARNATE WORD 4301 BROADWAY SAN ANTONIO, TX 78209	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
UNIVERSITY OF TEXAS AT AUSTIN P O BOX 7758 UT STATION AUSTIN, TX 78712	NONE PC	EDUCATIONAL SCHOLARSHIP	25,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
UNIVERSITY OF TEXAS AT DALLAS 800 W CAMPBELL RD RICHARDSON, TX 75080	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
UNIVERSITY OF TEXAS SAN ANTONIO 6900 N LOOP 1604 W SAN ANTONIO, TX 78249	NONE PC	EDUCATIONAL SCHOLARSHIP	28,000
SAN ANTONIO COLLEGE 1300 SAN PEDRO AVENUE SAN ANTONIO, TX 78212	NONE PC	EDUCATIONAL SCHOLARSHIP	1,000
TEXAS A&M KINGSVILLE 700 UNIVERSITY BLVD KINGSVILLE, TX 78363	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
SOUTHWESTERN UNIVERSITY PO BOX 770 GEORGETOWN, TX 78627	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
THE UNIVERSITY OF TEXAS AT ARLINGTON BOX 19199 - EE DAVIS HALL ARLINGTON, TX 76019	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 11 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
TEXAS A&M UNIVERSITY COMMERCE PO BOX 3011 COMMERCE, TX 75429	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
TARLETON STATE UNIVERSITY BOX T-0760 STEPHENVILLE, TX 76402	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
ANGELO STATE UNIVERSITY ASU STATION #11048 SAN ANGELO, TX 76909	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
TEXAS TECH UNIVERSITY BOX 45011 LUBBOCK, TX 79409-5011	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
WEATHERFORD COLLEGE 225 COLLEGE PARK DRIVE WEATHERFORD, TX 76086	NONE PC	EDUCATIONAL SCHOLARSHIP	2,000
		TOTAL CONTRIBUTIONS PAID	133,000

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 12

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
REFUND - PY QUALIFYING DISTRIBUTION			41	3,000.	
TOTALS				3,000.	

Reporting Set-asides under the Cash Distribution Test

Tax Year Ended 6/30/16

Form 990-PF, Part XII, Line 3b

1. The nature and purpose of the project for which the amounts are to be set aside are described below:
   The R.C. Caffarelli Educational Fund was established to provide scholarships for deserving students in the state of Texas. The Trustee is currently establishing a communication plan to make the Foundation known to the public, create a review plan to award the scholarships and a budget. The set aside is being established in order to allow for an effective scholarship program.
2. The amounts set aside for the project described in item 1 will be paid within the 60-month period that ends after the date of the set-aside.
3. The project will not be completed before the end of the above-referenced tax year (the year in which the set-aside was made).
4. Amounts set aside for charitable purposes are as follows:
   a. 6/30/2014: $60,000
   b. 6/30/2015: $175,000
   c. 6/30/2016: $160,000
   d. 6/30/2017: $65,000
5. Payments made for exempt purposes are as follows:
   a. 6/30/2014: $9,095
   b. 6/30/2015: $153,503
   c. 6/30/2016: $143,944

Frost

Welcome to The Rocco C. Caffarelli Scholarship, a Texas scholarship program sponsored by Frost Bank on behalf of Rocco C. Caffarelli.

Please review the qualifications for this scholarship. If you qualify for an award from this scholarship, please complete, print, and mail your application packet to Frost Bank. A checklist of required documentation is attached. Due to the volume of applicants we receive each year, we will not be able to contact you if your application packet is incomplete. Failure to submit all required documentation will result in ineligibility for this scholarship.

Deadline: Postmarked by April 15, 2016

A complete application package consists of the following:

- Biographical questionnaire
- High school transcript
- ACT or SAT scores (usually indicated on your transcript)
- Copy of your Student Aid Report (the whole report, not just the summary page)
- Secondary school report to be completed by someone who knows you and can speak knowledgably about your academic capabilities and commitment
- Student's authorization for release of information
- Optional: a personal letter of recommendation from someone who knows you well and whose opinion you respect

Please mail your packet to:

Frost Bank
Attn: Linda W. Namestnik
P.O. Box 1600 T-7
San Antonio, Texas 78296

You may insert extra lines or pages if necessary.

Thank you for your interest in The Rocco C. Caffarelli Scholarship.

Linda W. Namestnik

Senior Vice President

Frost Bank

Frost

Scholarship Application

BIOGRAPHICAL QUESTIONNAIRE

PERSONAL IDENTIFICATION

Name ______________________ Date of Birth ______________________

Address ______________________

Phone Number ______________________ E-mail Address ______________________

How long have you lived in Texas? ______________________

FAMILY INFORMATION

Parents/Guardian ______________________

Father's Occupation ______________________ Mother's Occupation ______________________

Address ______________________

Number and ages of siblings ______________________

Will you be claimed as a dependent on your parents' tax returns while in college? ______________________

HONORS AND ACTIVITIES

List the activities in which you have participated, any offices you have held, and any awards you have received

Which activity brought you the most personal satisfaction and why?

WORK EXPERIENCE

Employer(s)

Length of employment(s)

Reason(s) for leaving

What have you learned from your work experience?

If you have not worked, how have you spent your summer months?

Have you ever been suspended or expelled from school If so, please comment.

EDUCATIONAL GOALS

College/University you plan to attend (in order of preference)

________________________________ Have you been accepted?________________

________________________________ Have you been accepted?________________

________________________________ Have you been accepted?________________

What do you plan to study and why?

Why are you choosing to attend college rather than pursuing another life path such as joining the military or going directly into the work force?

What responsibilities have you learned in life that will help you to attain your educational goals? Please include a comment about your level of commitment to your plan

FINANCIAL DATA (INCLUDE A FULL STUDENT AID REPORT)

Family income from all sources $ ________________ How many people in your family will be attending college over the next four years? ____________

Where do you plan to live while in college? ____

Who will be responsible for your educational expenses? ____

What other scholarships/loans/grants have you received? ____

____

____

From a financial standpoint, why is this scholarship important to you?

PERSONAL STATEMENTS

What person in your life has had the most profound influence on you and why?

We will receive information about you from several sources, but you know yourself better than anyone else does From your personal and unique point of view, what do you want the Rocco C Caffarelli scholarship committee to know about you?

Please review Mr Caffarelli's biography as found on the Frost website scholarship page and make whatever comments you feel are appropriate

Statement By signing this application, I hereby state that I believe that I am qualified to receive an award from The Rocco C Caffarelli Scholarship program and that all of the above statements are true and correct to the best of my knowledge

Name ____ Date ____________________

SECONDARY SCHOOL REPORT/RECOMMENDATION

Please ask a faculty member, counselor, or administrator who is acquainted with your academic abilities to complete this report

Name of student ____

FIRST MIDDLE LAST

To the rater The above named student is applying for The Rocco C Caffarelli Scholarship through Frost Bank. The selection committee recognizes and respects the importance of your comments on this student's character, academic preparedness, and commitment to his academic goals

The student will submit a form permitting the use of academic records and your comments in the selection review process As per the requirements of Public Law 93-380 the information you provide will be used only by our selection committee for the purposes indicated and will not be divulged to anyone else

If you prefer to submit your own letter of recommendation in lieu of completing this form, you are welcome to do so Thank you for your kind assistance in this matter

1 Do you believe that this student can successfully make the transition from high school to college? Does he have the academic skills, maturity, and life skills to meet the challenges inherent in this next phase of his life?

2 Is this student realistic about his abilities and ambitions?

3 One of the requirements for this scholarship is good character Please comment on this student's character

4 What additional comments can you offer that will assist the selection committee in consideration of this student for a scholarship?

Name ____ Title ______________________________

STUDENT'S AUTHORIZATION FOR RELEASE OF INFORMATION

Pursuant to Public Law 93-380, The Family Educational Rights and Privacy act, permission is required for academic records and letters of recommendation to be released to third parties by the school or by individuals within a school

Name of scholarship candidate ______________________________

I hereby authorize appropriate school authorities to release information and recommendations to the selection committee of The Rocco C Caffarelli Educational Trust for the purpose of seeking a scholarship grant in order to continue my education beyond high school

Signature of student ______________________________

Signature of parent/guardian ______________________________ Date ______________

(IF STUDENT IS UNDER THE AGE OF 18 YEARS)

No. 74,252

ESTATE OF	§	IN THE PROBATE COURT
	§	
ROCCO CARMELO CAFFARELLI	§	No. 2
	§	
DECEASED	§	BEXAR COUNTY, TEXAS

JUDGMENT MODIFYING TRUST

On this day came on to be heard the Application for Modification of Trust in the above-styled and numbered cause. Evidence being submitted to the Court, the Court finds as follows:

1. That this Court has jurisdiction over the parties and subject matter of this Application;

2. That the venue of this cause of action and this proceeding properly lies in Bexar County, Texas;

3. That all interested and necessary parties have entered an appearance or have been properly served with citation;

4. That **FROST BANK**, as Trustee, of the **R. C. CAFFARELLI EDUCATIONAL FUND**, a Testamentary Trust created under the Last Will and Testament of **ROCCO CARMELO CAFFARELLI** is requesting this Court to modify the language of the Trust so as to bring the Trust language into compliance with federal statutes and regulations concerning the administration of charitable trust, and that **FROST BANK** appeared by and through its attorney of record, **JOHN E. BANKS, JR.** and it is in the best interest of the Trust to do so;

5. That the Attorney General for the State of Texas has filed his Waiver not to intervene and declines to intervene in the proceeding;

6. That it appears to this Court that it is in the best interest of potential beneficiaries of the Trust to approve this Application; and

7. That it is in the best interest of the Trust to approve this Application and to award all cost of court and reasonable attorney's fees incurred by the interested parties to be paid out of the Trust Estate.

It appears to the Court that the Application for Modification of Trust should be granted and that the Trust should be modified

It is therefore ORDERED, ADJUDGED, and DECREED·

1. That the Testamentary Trust created in the Last Will and Testament of **ROCCO CARMELO CAFFARELLI** known as the **R. C. CAFFARELLI EDUCATIONAL FUND**, be amended to allow the

Trustee to have the discretion to determine the amount of the scholarship award to each student per year so that state and federal statutes and regulations can be satisfied,

2 That the Trust Declaration for the **R. C. CAFFARELLI EDUCATIONAL FUND** attached hereto as "Exhibit A" and incorporated herein for all purposes shall be signed by the Trustee and shall from this point forward be the operating agreement followed by the Trustee in the management of the Trust Estate, and

3 That pursuant to 114 064 of the Texas Property Code, all costs of Court and attorney's fees of the Trustee shall be borne by the Trust Estate and shall be paid by the Trustee

SIGNED this 31 day of March, 2016

Tom Rickhoff, Judge Presiding

JOHN E. BANKS, JR.
State Bar No 01683100
Banks & Banks, P.C.
3308 Broadway, Suite 200
San Antonio, Texas 78209
210-828-7700 (Telephone)
210-828-7779 (Telecopier)
Attorney for Trustee
<jbanksjr@gmail com>

FILED

MAR 31 2016

GERARD RICKHOFF
CLERK PROBATE COURT NO 2
BEXAR COUNTY, TEXAS
BY DEPUTY

Exhibit A

TRUST DECLARATION
R. C. CAFFARELLI EDUCATIONAL FUND

This Declaration of Trust is made this day by **FROST BANK** (formerly FROST NATIONAL BANK OF SAN ANTONIO), Trustee of the **R. C. CAFFARELLI EDUCATIONAL FUND** (hereinafter referred to as "Trustee") a Testamentary Trust created under the Last Will and Testament of **ROCCO CARMELO CAFFARELLI** Pursuant to the Order of Probate Court No 2 of Bexar County, Texas, in Cause 74,252, styled The Estate of **ROCCO CARMELO CAFFARELLI**, Deceased, the **R. C. CAFFARELLI EDUCATIONAL FUND** as created under the Last Will and Testament of **ROCCO CARMELO CAFFARELLI** is being judicially modified and the original Testamentary Trust is being completely superseded and replaced by this Trust Declaration which shall govern the administration of the **R. C. CAFFARELLI EDUCATIONAL FUND** from the date stated below

This trust restates a private charitable foundation that has been called the **R. C. CAFFARELLI EDUCATIONAL FUND** to comply with all the requirements of the Internal Revenue Code and state law with regard to tax exempt charitable organizations. The property of the trust has been continuously managed by **FROST BANK** and its predecessors since April 18, 1951, when the Last Will and Testament of **ROCCO CARMELO CAFFARELLI** was admitted to probate in Bexar County, Texas. The property of the Trust has been held and managed and will be administered in the future exclusively for the charitable purposes set forth herein.

The Trustee by original appointment is **FROST BANK**. The term "Trustee" have the same meaning.

This Trust shall be known as the **R. C. CAFFARELLI EDUCATIONAL FUND** (hereinafter sometimes referred to as "Fund").

ARTICLE I.
PURPOSE, LIMITATIONS, DISTRIBUTIONS

A. Purpose, Limitations. This trust is formed and must be operated exclusively for one or more of the following purposes:

(1) Religious purposes, as defined by Section 501(c)(3) of the Internal Revenue Code.

(2) Charitable purposes, as defined by Section 501(c)(3) of the Internal Revenue Code.

(3) Literary purposes, as defined by Section 501(c)(3) of the Internal Revenue Code.

(4) Educational purposes, as defined by Section 501(c)(3) of the Internal Revenue Code

(5) For the prevention of cruelty to children or animals within the meaning of Section 501(c)(3) of the Internal Revenue Code

The trust may **not** undertake any activities not permitted by Section 501(c)(3) of the Internal Revenue Code Distributions of trust income and principal are to be made to any qualified charitable organization that promotes any one or more of the purposes above listed.

No part of the net earnings of the organization may inure in whole or in part to the benefit of any individual, as the terms "individual" and "inure" are defined by Treas. Reg Section 1 501(a)(1)-1(c)

B. Distributions Upon Dissolution. The assets of the organization are dedicated exclusively to and for the exempt purposes herein stated The distribution of the organization's assets upon dissolution of the Fund must be made to one or more tax exempt charitable organizations dedicated to one or more of the charitable purposes herein identified, or to the federal government or the government of the state of Texas. Under no circumstances may the assets be distributed to or for any person, agency or organization who or which is not an exempt organization under the requirements of Section 501(c)(3) of the Internal Revenue Code.

C. Qualified Charitable Organization Defined. The term "qualified charitable organization" will identify any charitable organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. No amount, other than an amount transferred for full and adequate consideration, may be paid to or for the use of any person, organization, or agency other than a qualified charitable organization.

Article II.
TRUST PROPERTY

Cash or other property may be contributed to this trust by any person, trust, organization or entity Property may be added by a last will and testament (a testamentary contribution), as a distribution from another trust (whether an inter vivos distribution or as a testamentary distribution), by deed or other instrument of transfer. Any contribution, distribution, or other transfer is subject to the acceptance thereof by the Trustee. Any contribution of cash or other property to this trust must be irrevocable. All property contributed to the trust is to be held in trust exclusively for the charitable purposes.

Article III.
Duration, Revocation, Amendment

A. Duration. This trust is to exist for the maximum period permitted for charitable trusts by the laws of the State of Teas.

B. Revocation or Amendment. This Trust may not be amended or terminated.

Article IV.
DISTRIBUTIONS OF TRUST INCOME AND PRINCIPAL

A. Income. The Trustee is to distribute the income of this trust for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code (and as governed by any future amendment to or revision of the Internal Revenue Code) ("the Code" or "Code")

B. Distributions. The Trustee may make distributions of trust income or trust principal, or both, to one or more qualified charitable organizations dedicated to one or more of the charitable purposes identified in this instrument or to educational institutions for scholarships complying with the applicable Code sections.

C. Corporate Contributions. Income or principal derived from contributions by corporations shall be distributed by the Trustee for use solely within the United States

D. Prohibited Distributions. No part of the net earnings of this trust shall inure to the benefit of any private individual No distributions shall be made in violation of applicable Code sections dealing with scholarships made by charitable foundations.

Article V.
Governing Instrument Requirements

A. Prohibited Distributions. No part of the net earnings of this trust or the activities of the trust shall be used for propaganda purposes or to influence legislation. No part of the activities of this trust shall include, or encourage, the participation of the trust or intervention in (including the publishing or distribution of statements) any political campaign of any candidate for public office.

B. Self-Dealing. The Trustee may **not** engage in any act of self-dealing as the term self-dealing is defined by Section 4941(d) of the Internal Revenue Code (and as governed by any future amendment to or revision of the Internal Revenue Code).

C. Excess Business Holdings. The Trustee shall **not** retain any excess business holdings, as that term is defined by Section 4943(c) of the Internal Revenue Code and within any exceptions provided by Section 4943 and the Treasury regulations thereunder (and as governed by any future amendment to or revision of the Internal Revenue Code).

D. Jeopardy Investments. The Trustee shall **not** make any investments, in form or manner, as to incur a tax liability under Section 4944 of the Internal Revenue Code (and as governed by any future amendment to or revision of the Internal Revenue Code)

E. Taxable Expenditures. The Trustee shall not make any taxable expenditures, as that term is defined by Section 4945(d) of the Internal Revenue Code (and as governed by any future amendment to or revision of the Internal Revenue Code).

Article VI.
Foundation Trustee

A. Bond. A Trustee is to serve without bond.

B. Number of Trustees. The trust is to have one Trustee , namely **FROST BANK.**

C. Authority. The Trustee will have the authority to act only in a fiduciary capacity consistent with and in promotion of the charitable purposes of this trust, and not otherwise. The Trustee shall have the authority to act as the representative of the trust with the sole authority to make distributions from the trust, to transfer the assets of the trust, to invest, sell and reinvest the assets of the trust, and to perform all other authority generally vested in Trustee by the laws of the state of Texas to the extent the authority vested by law does not contravene the requirements of this trust or jeopardize its classification and qualification as an exempt charitable organization

D. Vacancies and Succession. A Trustee is permitted to resign at any time and without cause upon giving ninety (90) days notice. In such event, the resigning Trustee shall apply to a Court having jurisdiction for the appointment of a successor Trustee.

A successor Trustee will have the authority vested in a Trustee by original appointment under this trust instrument. A successor Trustee will not be obligated to examine the accounts, records and acts of the previous Trustee or Trustees, nor will a successor Trustee in any way or manner be responsible for any act or omission to act on the part of any previous Trustee.

E. Delegation of Authority. The Trustee may employ professionals and agents to assist with the management and administration of the trust. These functions include:

(1) General administration of the trust by a qualified professional or professional organization.

(2) Investment of the trust assets by a qualified professional or professional organization

(3) Accounting, book-keeping, and tax preparation services, including consultation, by a qualified professional or professional organization.

(4) Safe-keeping of trust assets.

(5) Legal services, including advisory services, by a qualified professional or professional organization.

(6) Appraisal and valuation services by a qualified professional or professional organization.

Compensation and fees paid to the professionals and agents are to be charged against the income or the principal of the trust in the discretion of the Trustee. If for any reason the Trustee does not make a discretionary allocation, the fees are to be charged against the income of the trust.

F. Compensation. A corporate Trustee will be entitled to receive as its compensation such fees as are then prescribed by its published schedule of charges for trusts of a similar size and nature and additional compensation for extraordinary services performed by the corporate Trustee. A Trustee will be entitled to reimbursement for reasonable expenses, costs, or other obligations incurred as the result of service, including attorney's, accountant's and other professional fees.

Article VII.
Payment of Transfer Taxes Prohibited

Gift, legacy, succession, inheritance, estate taxes and/or generation-skipping transfer taxes that may be incurred by a donor or a donor's estate as the result of a direct or indirect contribution to this trust (including the transfer of a charitable remainder interest) may not be paid out of any property of the trust Any person, as the term "person" is defined by Section 7701 of the Internal Revenue Code, who makes a direct or indirect contribution to this trust, and that person's heirs, successors, and assigns, will be exclusively responsible for the payment of any gift, legacy, succession, inheritance, estate taxes or generation-skipping transfer taxes from sources other than property held by this trust.

Article VIII.
Protection of the Trust

No charitable organization that is the recipient of funds from this trust will have the power to anticipate, encumber or transfer any interest in this trust The assets of the trust will not be liable for, or charged with, any debts, contracts, liabilities or torts of a contributor or charitable beneficiary nor will the trust assets be subject to seizure or other process by any creditor.

Article IX.
Authority of the Trustee

The Trustee will have all of the rights and obligations prescribed by the trust laws of the state of Texas except for powers, rights and obligations that are inconsistent with the requirements of this charitable organization and federal tax and state law governing tax-exempt charitable organizations.

In addition to the authority of a Trustee recognized by law, the Trustee is authorized to retain the property in the form delivered to the trust, or may sell the property and invest and reinvest in any kind of property without diversification as to kind or amount and with regard to the limitation imposed by state law on investments. The Trustee is not restricted from investing the trust assets in a manner that will maximize cash flow to the trust or for appreciation. No requirement is prescribed or implied that will limit the Trustee's investment decisions

Article X.
Accounting Reports

The Trustee will be responsible for the maintenance of adequate records that fairly represent the financial condition of the trust, the character of trust income, the amounts of tax withheld and paid, distributions from the trust to qualified charitable organizations, and all expenses of the trust as evidenced by dated receipts. The records of the trust shall be open for inspection at all reasonable times by the public.

The Trustee will be responsible for the preparation of tax reports and returns required by law and all public disclosure reports required by law. The Trustee is to make available to the general public all information that the law requires to be made available to the general public.

Article XI.
Allocations of Income and Principal

Allocations of receipts and disbursements to, or from, income or principal are to be in keeping with the law of Texas.

Article XII.
Governing Law

This trust is formed under the laws of Texas. The Internal Revenue Code and the regulations thereunder will govern in the event of any conflict between the requirements of federal law and state law.

CONCLUSION AND ATTESTATION

This Declaration of Trust is binding, and will bind, each and every person, organization or agency who is a party to this instrument or who may become a party to this instrument, whether Trustee, or in any other capacity whatsoever, and to include the successors and assigns of each such party A Trustee acting in a fiduciary capacity will act and will be bound in its fiduciary capacity alone This instrument is to be effective upon the date recorded immediately below.

DATED AND EFFECTIVE the _____ day of ____________________ of the year 2016.

FROST BANK, Trustee

By: ______________________________
LINDA NAMESTNIK
Senior Vice President

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on this ______ day of ________________, 2016, by **LINDA NAMESTINK**, Senior Vice President of **FROST BANK**.

WITNESS MY HAND AND OFFICIAL SEAL

____
Notary Public, State of Texas
My Commission Expires:________________