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For calendar year 2016, or tax year beginning 01-01-2016, and ending 12-31-2016

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 ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ 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) \$ 866,708	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	20,960	20,141		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	10,446			
	b Gross sales price for all assets on line 6a _____ 411,279				
	7 Capital gain net income (from Part IV, line 2)		10,446		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances _____				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	473	0		
	12 Total. Add lines 1 through 11	31,879	30,587		
	13 Compensation of officers, directors, trustees, etc	12,224	12,224		0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	1,450	0		1,450
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	131	131		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	13,805	12,355		1,450
	25 Contributions, gifts, grants paid	45,040			45,040
	26 Total expenses and disbursements. Add lines 24 and 25	58,845	12,355		46,490
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-26,966			
	b Net investment income (if negative, enter -0-)		18,232		
	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	8,737	13,587	13,587
	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)	136,008	120,728	121,054
	b	Investments—corporate stock (attach schedule)	200,786	184,884	224,630
	c	Investments—corporate bonds (attach schedule)	207,931	238,200	240,600
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	301,674	270,575	266,837
	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)	855,136	827,974	866,708	
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	855,136	827,974	
	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)	855,136	827,974	
31	Total liabilities and net assets/fund balances (see instructions) .	855,136	827,974		

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	855,136
2	Enter amount from Part I, line 27a	2	-26,966
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	828,170
5	Decreases not included in line 2 (itemize) ▶ _____	5	196
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	827,974

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 408,257		400,833	7,424
b 3,022			3,022
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			7,424
b			3,022
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 10,446
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))
2015	46,934	935,048	0 050194
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

2 Total of line 1, column (d)	2	0 247173
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 049435
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	878,862
5 Multiply line 4 by line 3	5	43,447
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	182
7 Add lines 5 and 6	7	43,629
8 Enter qualifying distributions from Part XII, line 4	8	46,490

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	182
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	182
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	182
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	320
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	320
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	138
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ☐ 138 Refunded ☐	11	0

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)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>	1b	No
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? <i>If "Yes," attach a detailed description of the activities</i>	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? <i>If "Yes," attach a conformed copy of the changes</i>	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? <i>If "Yes," attach the statement required by General Instruction T</i>	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? <i>If "Yes," complete Part II, col (c), and Part XV</i>	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? <i>If "No," attach explanation</i> .	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 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	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? Website address ► N/A	13		No
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			
16	At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See 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 ►	16	Yes	No

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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(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)? ☐ Organizations relying on a current notice regarding disaster assistance check here. ► ☐	1b		No
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 2016? ☐	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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ 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 2016 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 2016). ☐	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 2016?	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)? ☐ Yes ☒ No Organizations relying on a current notice regarding disaster assistance check here. ☐ Yes ☒ No 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 <i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>	5b		
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? ☐ Yes ☒ No <i>If "Yes" to 6b, file Form 8870</i>	6b		No
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? ☐ Yes ☒ No	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	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
REGIONS BANK TRUST DEPARTMENT PO DRAWER 1628 MOBILE, AL 366331628	TRUSTEE 1 00	12,224	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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) 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	874,580
b	Average of monthly cash balances.	1b	17,666
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	892,246
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	892,246
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	13,384
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	878,862
6	Minimum investment return. Enter 5% of line 5.	6	43,943

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	43,943
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	182
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	182
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	43,761
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	43,761
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	43,761

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	46,490
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	46,490
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	182
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	46,308

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				43,761
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			45,040	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>46,490</u>				
a Applied to 2015, but not more than line 2a			45,040	
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 2016 distributable amount.				1,450
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2016 (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 2015 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 2017				42,311
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 2011 not applied on line 5 or line 7 (see instructions).	0			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				
d Excess from 2015.				
e Excess from 2016.				

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 2016, 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) 2016	(b) 2015	(c) 2014	(d) 2013	
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 <i>Paid during the year</i> MOBILE MENTAL HEALTH CENTER 2400 GORDON SMITH DR MOBILE, AL 36617	NONE	PC	FOR PURPOSES DESIGNATED BY BOARD OF TRUSTEES	11,260
UNIVERSITY OF SOUTH ALABAMA 307 UNIVERSITY BLVD MOBILE, AL 36688	NONE	PC	FOR PROVIDING SCHOLARSHIPS	33,780
Total			▶ 3a	45,040
b <i>Approved for future payment</i>				
Total			▶ 3b	0

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount		
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	20,960		
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	10,446		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue						
a FEDERAL EXCISE TAX REFUND _____						473
b _____						
c _____						
d _____						
e _____						
12 Subtotal Add columns (b), (d), and (e). .		0		31,406		473
13 Total. Add line 12, columns (b), (d), and (e). (See worksheet in line 13 instructions to verify calculations)			13			31,879

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

[illegible]

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

- 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

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
	J WILBERT JORDAN JR		2017-05-05		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 2016 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	1,450	0		1,450

TY 2016 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	4,016	4,376
5,000 TARGET CORP BOND	4,925	5,069
5,000 CITIGROUP INC BOND	4,994	5,004
4,000 GE CAP CORP BOND	4,011	4,436
4,000 GOLDMAN SACHS GROUP BOND	4,135	4,434
5,000 WACHOVIA CORP BOND	4,962	5,095
4,000 CATERPILLAR INC BOND	4,117	4,465
5,000 ORACLE CORP BOND	5,112	5,282
5,000 AT & T INC BOND	5,063	5,252
4,000 PRUDENTIAL FINL BOND	3,972	4,286
4,000 CA INC	4,024	4,320
10000 ANHEUSER-BUSCH BOND	10,011	10,014
5000 AMERICAN EXPRESS CO BOND	4,997	5,042
4000 MERRILL LYNCH CO BOND	3,985	4,252
9000 MORGAN STANLEY BOND	9,021	9,107
5000 SUNTRUST BANK BOND	4,993	5,002
5000 TOYOTA MOTOR CREDIT BOND	5,074	5,201
5000 INTEL CORP BOND	5,066	5,196
5000 CHEVRON CORP	5,004	4,989
10000 RBC BOND	9,933	9,987

Name of Bond	End of Year Book Value	End of Year Fair Market Value
5000 CISCO SYSTEMS INC	5,006	4,989
5000 IBM BOND	5,083	5,115
5000 APPLE INC	4,993	4,981
5000 MARATHON OIL CORP	4,166	4,849
10,000 FORD MOTOR CREDIT	9,939	9,992
5,000 MOLSON COORS CO	5,097	5,147
5,000 WALGREENS BOOTS	5,026	5,089
5,000 JOHN DEERE CAPITAL CORP	5,000	5,054
5,000 PEPSICO INC	4,993	4,997
5,000 DEUTSCHE BANK AG	5,001	4,971
4,000 JP MORGAN CHASE	4,377	4,371
5,000 TORONTO-DOMINION BANK	5,080	5,077
5,000 ASTRAZENECA PLC	5,001	5,009
5,000 GILEAD SCIENCIES INC	5,080	5,070
5,000 UNITED HEALTH GROUP INC	5,003	5,008
5000 KROGER CO	4,988	4,645
5000 SHELL INTL FIN BD	4,989	4,955
5000 VALERO ENERGY CORP	4,945	4,790
5000 BANK OF MONTREAL BD	4,998	4,934
5000 FIFTH THIRD BANK	5,008	4,943

Name of Bond	End of Year Book Value	End of Year Fair Market Value
5000 AMGEN INC	4,992	4,703
7000 GLAXOSMITHKLINE PLC	7,020	7,010
5000 TEVA PHARMACEUTICALS	5,012	4,733
5000 VERIZON COMMUN BD	4,987	4,603
5000 CISCO SYSTEMS INC	5,001	4,756

TY 2016 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
46 SHS CVS/CAREMARK CORP	1,537	3,630
45 SHS PEPSICO INC	3,594	4,708
74 SHS EXXON MOBIL CORP	5,890	6,679
58 SHS SCHLUMBERGER LTD	4,879	4,869
7 SHS BLACKROCK INC	1,388	2,664
57 SHS JP MORGAN CHASE CO	2,590	4,919
22 SHS PRUDENTIAL FINL INC	1,403	2,289
45 SHS MERCK & CO INC	1,500	2,649
39 SHS STRYKER CORP	2,880	4,673
15 SHS THERMO FISHER INC	839	2,117
77 SHS GE CO	1,474	2,433
13 SHS 3M CO	1,168	2,322
41 SHS UNITED TECHNOLOGIES CO	3,711	4,495
74 SHS CISCO SYSTEMS INC	1,360	2,237
4 SHS ALPHABET INC CL C	1,849	3,087
124 SHS INTEL CORP	2,645	4,497
167 SHS ORACLE CORP	5,653	6,421
33 SHS QUALCOMM INC	1,849	2,152
134 SHS VERIZON COMMUN	6,106	7,153
36 SHS NEXTRA ENERGY INC	1,986	4,301
121 SHS WELLS FARGO CO	4,106	6,668
60 SHS APPLE INC	5,098	6,949
22 SHS UNION PAC CORP	1,821	2,281
39 SHS HONEYWELL INTL INC	2,947	4,518
26 SHS LYONDELLBASELL INDUS	1,904	2,230
21 SHS INTUIT INC	1,333	2,407
76 SHS INVESCO LTD	2,513	2,306
38 SHS CITIGROUP INC	1,792	2,258
81 SHS STARBUCKS CORP	3,770	4,497
34 SHS AMERICAN INTL GROUP	1,871	2,221

Name of Stock	End of Year Book Value	End of Year Fair Market Value
42 SHS CELGENE CORP	3,867	4,862
32 SHS WASTE MGNT INC	1,564	2,269
72 SHS COGNIZANT TECH SOL	3,782	4,034
5 SHS ALPHABET INC CL-A	2,800	3,962
38 SHS ECOLAB INC	3,984	4,454
111 SHS AT&T INC	4,026	4,721
39 SHS FACEBOOK INC	3,843	4,487
36 SHS MCDONALDS CORP	4,361	4,382
105 SHS MONDELEZ INTL	4,445	4,655
67 SHS WAL MART STORES	4,255	4,631
87 SHS SUNTRUST BANKS	3,643	4,772
41 SHS BRISTOL MYERS SQUIBB	2,708	2,396
129 SHS PFIZER INC	4,563	4,190
20 SHS VERTEX PHARMACEU	2,562	1,473
53 SHS MEDTRONICS PLC	4,076	3,775
70 SHS MICROCHIP TECH	3,131	4,490
90 SHS SOUTHERN CO	4,118	4,427
3 SHS AMAZON.COM INC	2,346	2,250
24 SHS DOLLAR GENERAL CORP	2,245	1,778
18 SHS HOME DEPOT	2,440	2,413
147 SHS MATTEL INC	4,821	4,050
36 SHS ALTRIA GROUP	2,197	2,434
100 SHS COCA COLA CO	4,402	4,146
72 SHS WHOLE FOODS INC	2,237	2,215
39 SHS CHEVRON CORP	3,952	4,590
36 SHS CHUBB LTD	4,045	4,756
18 SHS ALLERGAN PLC	4,327	3,780
30 SHS GENERAL DYNAMICS CORP	4,567	5,180
66 SHS EATON CORP	4,121	4,428

TY 2016 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:**

120,728

**US Government Securities - End
of Year Fair Market Value:**

121,054

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

0

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

0

TY 2016 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
1617 FHLMC POOL	AT COST	1,758	1,778
982 FHLMC POOL	AT COST	1,056	1,059
1484 FHLMC POOL	AT COST	1,570	1,561
1466 FNMA POOL	AT COST	1,632	1,603
1028 FNMA POOL	AT COST	1,053	1,095
1669 FNMA POOL	AT COST	1,797	1,757
1809 FNMA POOL	AT COST	1,900	1,910
811 FHLMC POOL	AT COST	861	872
1409 FHLMC POOL	AT COST	1,493	1,488
11940 FHLMC POOL	AT COST	12,437	12,235
4748 FNMA POOL	AT COST	4,983	4,884
2690 FNMA POOL	AT COST	2,773	2,767
1762 FNMA POOL	AT COST	1,875	1,906
7223 FHLMC	AT COST	7,451	7,243
1854 FNMA	AT COST	1,920	1,956
2803 FNMA	AT COST	2,796	2,890
4502 FNMA	AT COST	4,712	4,622
3053 FNMA	AT COST	3,059	3,063
7841 FNMA	AT COST	8,076	7,839
3854 FNMA	AT COST	3,851	3,853
571 FNMA	AT COST	608	585
1696 FNMA	AT COST	1,830	1,849
1196 FNMA POOL	AT COST	1,359	1,334
896 FNMA POOL	AT COST	960	1,027
INVESCO INTL GROWTH FD	AT COST	26,186	26,671
AM CENTURY SMALL CAP FD	AT COST	17,532	17,425
JP MORGAN MID CAP FD	AT COST	13,799	16,648
MFS RESH INTL FD	AT COST	27,379	26,380
ARTISAN MID CAP FD	AT COST	22,200	16,547
RS SMALL CAP GROWTH FD	AT COST	17,631	17,893

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
8695 FNMA	AT COST	8,997	10,008
TEMPLETON GLOBAL BOND FD	AT COST	15,000	13,726
719 FNMA	AT COST	784	806
1413 FNMA	AT COST	1,494	1,491
BARON EMERGING MKTS FD	AT COST	8,000	8,013
MAINGATE MLP FD	AT COST	5,000	5,193
2297 FHLMC	AT COST	2,403	2,400
4132 FHLMC	AT COST	4,350	4,243
1190 FNMA	AT COST	1,280	1,288
2389 FNMA	AT COST	2,523	2,464
1934 FNMA	AT COST	2,007	2,017
PRUDENTIAL HIGH YIELD FD	AT COST	22,200	22,448

TY 2016 Other Decreases Schedule

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

EIN: 63-6110169

Description	Amount
TIMING DIFFERENCES BOOK AND TAX	196

TY 2016 Other Income Schedule

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

EIN: 63-6110169

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
FEDERAL EXCISE TAX REFUND	473		473

TY 2016 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
FOREIGN TAXES	131	131		0