

Form 990-PF

Department of the Treasury  
Internal Revenue Service

## Return of Private Foundation

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

- Do not enter social security numbers on this form as it may be made public.
- Information about Form 990-PF and its instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

2017

Open to Public  
Inspection

For calendar year 2017, or tax year beginning 01-01-2017, and ending 12-31-2017

<p>Name of foundation THE LAWRENCE &amp; NANCY PADFIELD FOUNDATION</p> <p>Number and street (or P O box number if mail is not delivered to street address) 11106 FALCONWING DRIVE</p> <p>City or town, state or province, country, and ZIP or foreign postal code THE WOODLANDS, TX 77381</p> <p><b>G</b> Check all that apply    <input type="checkbox"/> Initial return    <input type="checkbox"/> Initial return of a former public charity  <input type="checkbox"/> Final return    <input type="checkbox"/> Amended return  <input type="checkbox"/> Address change    <input type="checkbox"/> Name change</p> <p><b>H</b> Check type of organization    <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation  <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust    <input type="checkbox"/> Other taxable private foundation</p> <p><b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 3,859,753</p>		<p><b>A</b> Employer identification number 27-2798913</p> <p><b>B</b> Telephone number (see instructions) (281) 370-0297</p> <p><b>C</b> If exemption application is pending, check here ► <input type="checkbox"/></p> <p><b>D</b> 1. Foreign organizations, check here ► <input type="checkbox"/>  2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/></p> <p><b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/></p> <p><b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/></p>			
		<p><b>J</b> Accounting method    <input checked="" type="checkbox"/> Cash    <input type="checkbox"/> Accrual  <input type="checkbox"/> Other (specify) _____</p> <p>(Part I, column (d) must be on cash basis)</p>			
<p><b>Part I</b> <b>Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</p>		(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 ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	18,581	18,581		
	4 Dividends and interest from securities	79,401	79,401		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	43,106			
	b Gross sales price for all assets on line 6a	975,136			
	7 Capital gain net income (from Part IV, line 2)		43,106		
	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)					
<b>12 Total.</b> Add lines 1 through 11	141,088	141,088			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	8,786	5,857		2,929
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	3,360	1,360		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	27,498	27,498		
	<b>24 Total operating and administrative expenses.</b>	39,644	34,715		2,929
25 Contributions, gifts, grants paid	275,950			275,950	
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	315,594	34,715		278,879	
<b>27</b> Subtract line 26 from line 12	-174,506				
<b>a Excess of revenue over expenses and disbursements</b>					
<b>b Net investment income</b> (if negative, enter -0-)		106,373			
<b>c Adjusted net income</b> (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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash—non-interest-bearing		159,695	27,975	27,975
	2 Savings and temporary cash investments				
	3 Accounts receivable ►				
	Less allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less allowance for doubtful accounts ►				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7 Other notes and loans receivable (attach schedule) ►				
	Less allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments—U S and state government obligations (attach schedule)				
	b Investments—corporate stock (attach schedule)		1,972,724	2,063,973	2,808,766
	c Investments—corporate bonds (attach schedule)		1,061,018	979,201	929,951
	11 Investments—land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach schedule) ►				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)		79,359	87,013	87,183
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach schedule) ►				
	15 Other assets (describe ► _____)		15,750	5,878	5,878
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)		3,288,546	3,164,040	3,859,753
	17 Accounts payable and accrued expenses				
	18 Grants payable			50,000	
	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 ► _____)			50,000	
	23 Total liabilities (add lines 17 through 22)				
	<b>Foundations that follow SFAS 117, check here ► <input type="checkbox"/></b> <b>and complete lines 24 through 26 and lines 30 and 31.</b>				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	<b>Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/></b> <b>and complete lines 27 through 31.</b>				
	27 Capital stock, trust principal, or current funds		3,288,546	3,114,040	
	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)		3,288,546	3,114,040	
	31 Total liabilities and net assets/fund balances (see instructions)		3,288,546	3,114,040	

**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	3,288,546
2	Enter amount from Part I, line 27a	2	-174,506
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	3,114,040
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,114,040

**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.)
<b>1 a</b> PUBLICLY TRADED SECURITIES			P		
<b>b</b> Capital Gain Dividends					
<b>c</b>					
<b>d</b>					
<b>e</b>					
(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)		
<b>a</b> 973,528		932,030	41,498		
<b>b</b>			1,608		
<b>c</b>					
<b>d</b>					
<b>e</b>					
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))		
<b>a</b>			41,498		
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
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	43,106
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

 Yes  No

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

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))
2016	178,650	3,393,299	0 05265
2015	167,126	3,448,186	0 04847
2014	181,994	3,570,812	0 05097
2013	143,186	3,396,611	0 04216
2012	47,045	1,027,059	0 04581
<b>2</b> Total of line 1, column (d)			0 240045
<b>3</b> 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			0 048009
<b>4</b> Enter the net value of noncharitable-use assets for 2017 from Part X, line 5			3,732,960
<b>5</b> Multiply line 4 by line 3			179,216
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)			1,064
<b>7</b> Add lines 5 and 6			180,280
<b>8</b> Enter qualifying distributions from Part XIII, line 4			278,879

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 ► <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)	1	1,064
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		
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	1,064
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-	5	1,064
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	2,180
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	3,180
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	2,116
11	Enter the amount of line 10 to be <b>Credited to 2018 estimated tax</b> ►	2,116	Refunded ►
		11	

**Part VII-A Statements Regarding Activities**

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	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b	Yes	No
	<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>			
c	Did the foundation file <b>Form 1120-POL</b> for this year?	1c	Yes	No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ _____ (2) On foundation managers ► \$ _____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>	2	Yes	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	Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes	No
b	If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?	4b	Yes	No
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	Yes	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	No
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	No
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? <i>If "No," attach explanation</i>	8b	Yes	No
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 2017 or the taxable year beginning in 2017 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	Yes	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	Yes	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	Yes
14	The books are in care of ►LAWRENCE J PADFIELD	Telephone no ►(281) 370-0297	
Located at ►11106 FALCONWING DRIVE THE WOODLANDS TX			ZIP+4 ►773814491
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> —Check here and enter the amount of tax-exempt interest received or accrued during the year.	► 15	
16	At any time during calendar year 2017, 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.		
		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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did <b>any</b> 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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 2017?	1c <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? If "Yes," list the years ► 20____, 20____, 20____, 20____	2a <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement—see instructions) .	2b <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> 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?	3a <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2017 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 2017).	3b <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 2017?	4b <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions). . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)–(5), did <b>any</b> 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	No
	Organizations relying on a current notice regarding disaster assistance check here. . . . . ►	<input type="checkbox"/>			
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? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	<i>If "Yes," attach the statement required by Regulations section 53 4945-5(d)</i>				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .			6b	No
	<i>If "Yes" to 6b, file Form 8870</i>				
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . .			7b	No

**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
LAWRENCE JAMES PADFIELD 11106 FALCONWING DRIVE THE WOODLANDS, TX 773814491	President 3 00	0		
NANCY JEAN PADFIELD 11106 FALCONWING DRIVE THE WOODLANDS, TX 773814491	Vice Pres 1 00	0		
RAE ANN PADFIELD 677 HUNTERLY HEIGHTS BALLWIN, MO 63021	Treasurer 0 50	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	Contributions to employee benefit plans and deferred compensation (d)	Expense account, (e) other allowances
NONE				

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

**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services. . . . . ►

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

Expenses

1	
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 . . . . . ►

**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	3,722,196
b	Average of monthly cash balances. . . . .	1b	67,611
c	Fair market value of all other assets (see instructions). . . . .	1c	0
d	<b>Total</b> (add lines 1a, b, and c). . . . .	1d	3,789,807
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	
3	Subtract line 2 from line 1d. . . . .	3	3,789,807
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions). . . . .	4	56,847
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,732,960
6	<b>Minimum investment return.</b> Enter 5% of line 5. . . . .	6	186,648

**Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign

**Part XI** organizations check here ►  and do not complete this part )

1	Minimum investment return from Part X, line 6. . . . .	1	186,648
2a	Tax on investment income for 2017 from Part VI, line 5. . . . .	2a	1,064
b	Income tax for 2017 (This does not include the tax from Part VI). . . . .	2b	
c	Add lines 2a and 2b. . . . .	2c	1,064
3	Distributable amount before adjustments Subtract line 2c from line 1. . . . .	3	185,584
4	Recoveries of amounts treated as qualifying distributions. . . . .	4	
5	Add lines 3 and 4. . . . .	5	185,584
6	Deduction from distributable amount (see instructions). . . . .	6	
7	<b>Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1. . . . .	7	185,584

**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	278,879
b	Program-related investments—total from Part IX-B. . . . .	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes. . . . .	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required). . . . .	3a	
b	Cash distribution test (attach the required schedule). . . . .	3b	
4	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	278,879
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	1,064
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4. . . . .	6	277,815
<b>Note:</b> 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 2016	(c) 2016	(d) 2017
<b>1</b> Distributable amount for 2017 from Part XI, line 7				185,584
<b>2</b> Undistributed income, if any, as of the end of 2017			61,687	
<b>a</b> Enter amount for 2016 only. . . . .				
<b>b</b> Total for prior years 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2017				
<b>a</b> From 2012. . . . .				
<b>b</b> From 2013. . . . .				
<b>c</b> From 2014. . . . .				
<b>d</b> From 2015. . . . .				
<b>e</b> From 2016. . . . .				
<b>f</b> <b>Total</b> of lines 3a through e. . . . .				
<b>4</b> Qualifying distributions for 2017 from Part XII, line 4 ► \$ 278,879			61,687	
<b>a</b> Applied to 2016, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions). . . . .				
<b>c</b> Treated as distributions out of corpus (Election required—see instructions). . . . .	0			
<b>d</b> Applied to 2017 distributable amount. . . . .				185,584
<b>e</b> Remaining amount distributed out of corpus	31,608			
<b>5</b> Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a) )				
<b>6</b> <b>Enter the net total of each column as indicated below:</b>				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	31,608			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b. . . . .				
<b>c</b> 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. . . . .				
<b>d</b> Subtract line 6c from line 6b Taxable amount—see instructions . . . . .				
<b>e</b> Undistributed income for 2016 Subtract line 4a from line 2a Taxable amount—see instructions . . . . .				
<b>f</b> Undistributed income for 2017 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2018. . . . .				0
<b>7</b> 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) . . . . .				
<b>8</b> Excess distributions carryover from 2012 not applied on line 5 or line 7 (see instructions) . . . . .				
<b>9</b> <b>Excess distributions carryover to 2018.</b> Subtract lines 7 and 8 from line 6a. . . . .	31,608			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2013. . . . .				
<b>b</b> Excess from 2014. . . . .				
<b>c</b> Excess from 2015. . . . .				
<b>d</b> Excess from 2016. . . . .				
<b>e</b> Excess from 2017. . . . .	31,608			

**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 2017, enter the date of the ruling. ►			
b	Check box to indicate whether the organization is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)			
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))  
See Additional Data Table

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 e-mail address of the person to whom applications should be addressed

LAWRENCE NANCY PADFIELD  
11106 FALCONWING DRIVE  
THE WOODLANDS, TX 77381  
(281) 370-0297

b The form in which applications should be submitted and information and materials they should include  
**SOLICITATIONS OF CHARITABLE NEEDS INCLUDING INTRODUCTORY LETTER OF QUALIFIED ORGANIZATION**

c Any submission deadlines

NONE

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

**SUPPORT OF CHARITABLE, RELIGIOUS, EDUCATIONAL AND SCIENTIFIC ENDEAVORS OF QUALIFIED ORGANIZATIONS UNDER PROVISIONS OF SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE**

**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
<b>a</b> <i>Paid during the year</i> See Additional Data Table				
<b>Total</b> . . . . .			► 3a	275,950
<b>b</b> <i>Approved for future payment</i>				
<b>Total</b> . . . . .			► 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			14	18,581	
4 Dividends and interest from securities.			14	79,401	
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	43,106	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e).				141,088	
13 Total. Add line 12, columns (b), (d), and (e).					141,088
(See worksheet in line 13 instructions to verify calculations.)					

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



**Form 990PF Part XV Line 1a - 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).**

LAWRENCE JAMES PADFIELD

NANCY JEAN PADFIELD

**Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
<b>a Paid during the year</b>				
GOLFERS AGAINST CANCER 1700 LAKE KINGWOOD TR KINGWOOD, TX 77339	NONE	501C-3	CHARITABLE	100,000
NORTHWEST ASSISTANCE MINISTRIES 15555 KUYKENDAHL RD HOUSTON, TX 77090	NONE	501C-3	CHARITABLE	24,450
SPIRIT GOLF ASSOCIATION 2441 HIGH TIMBERS STE 430 THE WOODLANDS, TX 77380	NONE	501C-3	CHARITABLE	7,500
<b>Total . . . . .</b>				275,950
<b>3a</b>				

**Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
<b>a Paid during the year</b>				
PENFED FOUNDATION 2930 EISENHOWER AVENUE ALEXANDRIA, VA 22314	NONE	501C-3	CHARITABLE	18,200
AMERICAN HEART ASSOCIATION 7272 GREENVILLE AVENUE DALLAS, TX 75231	NONE	501C-3	CHARITABLE	5,000
SAN ANTONIO LIGHTHOUSE 2305 ROOSEVELT AVENUE SAN ANTONIO, TX 78210	NONE	501C-3	CHARITABLE	5,000
<b>Total . . . . .</b>				275,950
<b>3a</b>				

**Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
<i>a Paid during the year</i>				
PTDS FOUNDATION OF AMERICA PO BOX 690748 HOUSTON, TX 77269	N/A	501C-3	CHARITABLE	50,000
PEARL FINCHER MUSEUM OF FINE ARTS 6815 CYPRESSWOOD DR SPRING, TX 77379	NONE	501C-3	CHARITABLE	10,000
ROTARY CLUB OF LAKE CONROE PO BOX 1252 MONTGOMERY, TX 77356	NONE	501C-3	CHARITABLE	800
<b>Total . . . . .</b>				275,950
<b>3a</b>				

## Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
<i>a Paid during the year</i>				
THE 100 CLUB 5555 SAN FELIPE ST STE 1750 HOUSTON, TX 77056	NONE	501C-3	CHARITABLE	50,000
UNICEF USA 520 POST OAK BLVD STE 280 HOUSTON, TX 77027	NONE	501C-3	CHARITABLE	5,000
<b>Total . . . . .</b>				275,950
<b>3a</b>				

## TY 2017 Accounting Fees Schedule

**Name:** THE LAWRENCE & NANCY PADFIELD FOUNDATION

**EIN:** 27-2798913

**Software ID:** 17005038

**Software Version:** 2017v2.2

## Accounting Fees Schedule

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	8,786	5,857	0	2,929

## TY 2017 Investments Corporate Bonds Schedule

**Name:** THE LAWRENCE & NANCY PADFIELD FOUNDATION

**EIN:** 27-2798913

**Software ID:** 17005038

**Software Version:** 2017v2.2

### Investments Corporate Bonds Schedule

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS (MSSB) - SEE DETAIL	979,201	929,951

## TY 2017 Investments Corporate Stock Schedule

**Name:** THE LAWRENCE & NANCY PADFIELD FOUNDATION

**EIN:** 27-2798913

**Software ID:** 17005038

**Software Version:** 2017v2.2

<b>Name of Stock</b>	<b>End of Year Book Value</b>	<b>End of Year Fair Market Value</b>
PREFERRED STOCKS (MSSB) - SEE DETAIL	172,423	179,285
COMMON STOCKS (MSSB) - SEE DETAIL	1,891,550	2,629,481

## TY 2017 Investments - Other Schedule

**Name:** THE LAWRENCE & NANCY PADFIELD FOUNDATION

**EIN:** 27-2798913

**Software ID:** 17005038

**Software Version:** 2017v2.2

### Investments Other Schedule 2

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ETF'S & CEF'S - SEE DETAIL	AT COST	87,013	87,183

## TY 2017 Other Assets Schedule

**Name:** THE LAWRENCE & NANCY PADFIELD FOUNDATION

**EIN:** 27-2798913

**Software ID:** 17005038

**Software Version:** 2017v2.2

### Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
AR DIVIDENDS	338	178	178
OTHER IN TRANSIT RECEIVABLE		5,700	5,700

## TY 2017 Other Expenses Schedule

**Name:** THE LAWRENCE & NANCY PADFIELD FOUNDATION

**EIN:** 27-2798913

**Software ID:** 17005038

**Software Version:** 2017v2.2

## Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	27,498	27,498		

## TY 2017 Taxes Schedule

**Name:** THE LAWRENCE & NANCY PADFIELD FOUNDATION

**EIN:** 27-2798913

**Software ID:** 17005038

**Software Version:** 2017v2.2

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL EXCISE TAXES	2,000			
FOREIGN TAXES PAID ON DIVIDENDS	1,360	1,360		

**STATEMENT 4 -****Preferred Stocks (MSSB)**

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Aegon NV (AEH)	-	2,177	2,195
Aegon NV (AED)	-	656	649
AGNC Investment Corp	-	526	540
Allstate Corp	1,990	2,176	2,179
Amer Homes 4 Rent	497	-	-
American Hms 4 Rent PFD D	989	-	-
American Homes 4 Rent PRT A	1,478	-	-
American Homes 4 Rent Pt PFD B	1,498	-	-
AmTrust Finl Srvcs Inc	484	600	550
Annaly Cap Mgmt	-	548	568
Aspen Insurance Hldg Ltd (AHL C)	6,052	6,434	6,629
Aspen Insurance Hldg Ltd (AHL D)	1,001	533	567
Aspen Insurance Holdings	484	-	-
Axis Cap Holdings Ltd	-	2,040	2,265
Bank of America Corp (BAC C)	481	886	905
Bank of America Corp (BAC Y)	1,504	1,531	1,621
Bank of America Corp (BAC W)	4,010	4,118	4,371
Capital One	-	318	314
Capital One Finl Corp (COF H)	-	1,090	1,104
Capital One Finl Corp (COF D)	3,017	3,206	3,272
Charles Schwab Corp	1,986	2,040	2,160
CHS Inc (CHSCM)	2,511	2,726	2,726
CHS Inc (CHSCN)	5,016	5,322	5,363
CHS Inc Perpetual PRF CL B	470	528	519
CHS Inc/Red PFD CL B S 4	3,013	3,212	3,265
Citigroup Inc	6,003	6,583	7,075
Citigrp Inc	1,985	2,603	2,712
Colony Northstar Inc (CLNS J)	-	1,073	1,076
Colony Northstar Inc (CLNS E)	-	536	531
Digital Realty Trust	1,008	1,062	1,067
Digital Rlty Tr Inc Red Ser C	-	992	1,076
Discover Financial Svcs	1,589	-	-
Dupont Fabros Tech Inc Ser C	992	-	-
Endurance Specialty	1,478	-	-
F N B Corp FLA Dep SHS Repstg	3,931	4,282	4,386
Farmland Partners Inc	-	1,103	1,082
Fifth Third Bancorp	5,001	5,258	5,444
Global Net Lease Inc Pfd Ser A	-	324	334
Goldman Sachs Grp Inc (GS J)	6,510	6,644	7,052
Goldman Sachs Grp Inc (GS K)	2,968	4,053	4,341
Huntington Bancshares	1,991	2,097	2,251
Iberiabank Corp SHS PFD B	499	499	539
Ing Groep NV (ISF)	1,490	-	-
Ing Groep NV (ISG)	-	1,080	1,073
Ing Groep NV (ISP)	1,507	-	-
Invesco Mtg Cap Inc	-	536	541
JPMorgan Chase & Co (JPM H)	2,013	1,529	1,616
JPMorgan Chase & Co (JPM E)	1,778	1,858	1,948
JPMorgan Chase & Co (JPM B)	1,777	1,383	1,406
Keycorp	1,978	2,962	3,326
Keycorp New PFD Ser C	5,800	-	-
Kilroy Realty	985	-	-
Morgan Stanley (MS K)	-	545	542

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Morgan Stanley (MS I)	4,016	4,099	4,372
Morgan Stanley (MS F)	4,991	5,772	6,001
Morgan Stanley (MS E)	3,007	3,123	3,272
New York Cmnty BC Inc Ser A	-	4,102	4,376
Partnerre Ltd (PRE G)	467	548	537
Partnerre Ltd (PRE H)	6,922	7,398	7,798
Peoples United Fin Inc SER A	1,982	4,154	4,560
PNC Finl-P	9,092	7,425	7,783
Regions Financial Co (RF B)	2,499	3,071	3,269
Regions Finl Corp	982	1,059	1,064
Royal Bk Scot Grp PLC ADS	998	-	-
Royal Bk Scotland Grp PLC	1,981	1,078	1,094
Santander Finance PRF SA FLR	1,010	1,083	1,085
SCE Trust IV	483	535	542
SCE Trust V	2,476	2,662	2,722
State Street Corp (STT D)	-	2,223	2,197
State Street Corp (STT G)	4,941	6,123	6,563
Stifel Financial Corp	993	1,601	1,679
Synovus Fin CP	2,939	2,524	2,404
Taubman Centers Inc	484	535	528
TCF Financial Corpn	-	528	540
Two Harbors Invstmnt C	-	548	552
Urstadt Biddle Ppty Inc Ser H	-	327	340
US Bancorp	2,806	-	-
US Bancorp-F	3,550	2,847	2,850
Validus Hldgs Ltd (VR A)	283	283	311
Validus Hldgs Ltd (VR B)	-	1,608	1,640
Valley Natl Bancorp Ser-A	1,677	1,928	1,859
Valley Natl Bancorp PFD-B	-	528	529
Wells Fargo & Co (WFC X)	481	505	536
Wells Fargo & Co (WFC W)	981	1,032	1,092
Wells Fargo & Company (WFC V)	-	636	643
Wells Fargo & Company (WFC R)	7,529	7,930	8,243
Wells Fargo (WFC Q)	482	2,950	2,943
Wells Fargo (WFC J)	1,182	694	667
Wintrust Financial Corp	3,528	3,584	3,830
Zions Bancorp (ZB G)	2,344	3,291	3,264
Zions Bancorp PFD	1,982	-	-
	<b>164,852</b>	<b>176,003</b>	<b>182,865</b>
Trades Pending	-	(3,580)	(3,580)
Return of Capital	-	-	-
<b>Total Preferred Stock (MSSB)</b>	<b>164,852</b>	<b>172,423</b>	<b>179,285</b>

**STATEMENT 4 -****Common Stocks (MSSB)**

MB Financial Inc New Ser C	-	538	552
3M Company	15,521	15,521	20,948
Aflac Incorporated	-	9,402	10,446
Alphabet Inc Cl A	13,497	13,497	26,335
Amazon Com Inc	15,641	15,641	58,474
American Tower REIT Com	20,797	20,797	28,249
Anheuser Busch Inbev SA Spon	2,159	21,092	22,312
Apple Inc	32,945	32,945	88,846

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Astrazeneca Plc Ads	19,763	19,763	27,760
Automatic Data Processing Inc	18,318	18,318	23,555
Bank of America Corp	13,276	18,678	25,535
Bank of New York Mellon Corp	23,481	23,481	27,145
Blackrock Inc	15,601	22,521	30,823
Brighthouse Finl Inc	-	1,596	1,525
Coca Cola Co	27,222	27,222	31,657
Comcast Corp (new) Class A	23,339	23,339	28,355
Costco Wholesale Corp New	15,557	13,888	17,495
Cracker Barrel Old Ctry Store	28,466	28,466	47,667
Dowdupont Inc	-	18,298	24,143
Du Pont ei de Nemours & Co	18,337	-	-
Ecolab Inc	15,607	15,607	18,114
Enbridge Inc	-	23,664	22,879
Exxon Mobil Corp	35,050	35,050	41,820
Facebook Inc Cl-A	23,755	23,755	52,938
General Electric Co	48,560	-	-
General Mtrs Co	-	14,180	15,371
Healthcare Tr Amer Inc Cl A	-	12,429	12,467
Home Depot Inc	23,437	23,437	34,305
Intel Corp	21,177	21,177	46,160
International Paper Co	28,444	28,444	34,764
Intl Business Machines Corp	13,922	-	-
Johnson & Johnson	20,953	20,953	24,730
JPMorgan Chase & Co	18,438	18,438	32,082
Kimberly Clark Corp	20,845	20,845	22,322
Mastercard Inc Cl A	-	12,273	16,650
Mc Cormick and Co Non Voting	-	9,705	10,191
Mc Donalds Corp	30,468	30,468	51,636
Merck & Co Inc New Com	26,179	2,426	2,476
Metlife Incorporated	15,721	14,092	14,764
Microsoft Corp	20,832	20,832	30,367
Mondelez Intl Inc Com	21,355	21,355	22,256
Morgan Stanley	49,869	14,303	31,744
Nestle Spon ADR Rep Reg SHR	35,791	35,791	42,985
Nextera Energy Inc	13,087	13,087	17,962
Pentaır PLC	-	10,526	12,712
Pepsico Inc NC	20,959	20,959	24,344
Pfizer Inc	29,171	29,171	36,220
Phillips 66 Com	-	13,096	16,589
PPG Industries Inc	23,525	23,525	28,738
Praxair Inc	-	9,427	9,590
Proctor & Gamble	40,525	40,524	45,940
Raytheon Co (New)	-	18,908	24,421
Schlumberger Ltd	31,296	3,549	3,706
Spectra Energy Corp Com	18,460	-	-
Superior Uniform GPP Inc FL	23,721	20,091	90,520
Sysco Corp	20,909	20,909	23,928
Texas Instruments	18,235	18,235	27,363
Time Warner Inc New	23,551	23,551	24,788
Travelers Companies Inc Com	20,947	20,947	25,772
U S Bancorp Com New	13,088	13,088	14,627
Union Pacific Corp	36,659	36,659	67,050
United Parcel Ser Inc Cl-B	18,232	20,610	23,234
UnitedHealth GP Inc	13,090	13,090	19,621

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Univest CP PA Com Stk	37,160	37,160	56,100
Verizon Communications	20,889	20,889	23,765
Visa Inc Cl A	-	11,443	14,823
Wal Mart Stores Inc	11,429	-	-
Walt Disney Co Hldg Co	15,734	22,067	23,652
Waste Mgmt Inc	14,035	14,035	17,864
WEC Energy Group Inc Com	21,844	21,844	33,215
Weyerhaeuser Co	24,987	38,080	42,841
Williams Co Inc	-	22,223	23,782
Zoetis Inc Class-A	11,406	11,406	16,209
Abbvie Inc Com	16,773	21,469	32,881
Altria Group Inc	16,971	22,737	25,708
American Electric Power Co	4,368	5,750	6,989
ASML Holding NV NY Reg New	8,641	8,641	17,382
Astrazeneca PLC ADS	5,462	9,907	11,937
AT&T Inc	17,645	17,645	18,857
BCE Inc	16,263	21,370	24,005
BP PLC ADS	8,132	8,132	10,381
British Amer Tob Spon ADR	-	4,538	4,555
CDN Impl Bk Commerce	-	6,483	7,208
CDW Corporation	14,147	-	-
Chevron Corp	7,635	11,648	13,771
Chubb Ltd	10,867	10,867	14,613
CME Group Inc	9,228	9,155	18,110
Coca Cola Co	11,818	15,236	16,976
Consolidated Edison Inc	4,301	5,697	6,796
Costco Wholesale Corp New	8,572	8,572	13,959
Crown CastleIntl Corp	9,860	12,467	16,651
Danaher Corporation	7,546	7,546	14,851
Dentsply Sirona Inc	9,979	9,979	14,878
Devon Energy Corp New	9,885	1,107	1,739
Dominion Energy Inc (FKA Dominion Res Inc)	7,985	14,267	15,807
Dover Corp	11,567	9,850	17,370
Duke Energy Corp New	12,219	15,879	17,663
Estee Lauder Co Inc Cl A	6,317	6,316	12,724
Exxon Mobil Corp	13,956	14,354	14,721
Fedex Corp	4,820	4,820	7,237
Fidelity Natl Information SE	17,205	-	-
General Mills Inc	3,671	6,734	7,411
Glaxosmithkline PLC ADS	13,352	-	-
IPG Photonics Corp	10,326	6,746	20,985
Johnson & Johnson	17,740	10,072	17,605
Kimberly Clark Corp	8,791	11,328	12,066
Kraft Heinz Co	3,879	-	-
Lennar Corp Cl B	-	155	258
Lennar Corporation	9,518	9,363	15,810
Mc Donalds Corp	16,967	21,988	32,531
Merck & Co Inc New Com	16,054	-	-
Motorola Solutions Inc	12,365	12,365	15,810
National Grid PLC Spon ADR	3,898	133	118
Novartis AG ADR	8,026	9,478	10,915
Occidental Petroleum Corp DE	3,589	9,170	11,196
Pepsico Inc NC	4,317	5,682	6,596
Philip Morris Intl Inc	17,766	22,279	26,412

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
PPL Corporation	8,438	10,992	10,213
Proctor & Gamble	13,962	18,432	20,214
Public Service Enterprise GP	-	5,363	6,077
Public Storage	-	6,266	6,270
Realty Income Corp	3,866	4,734	4,847
Roper Technologies, Inc	12,523	-	-
Sanofi ADR	-	16,594	17,415
Southern Co	11,885	11,885	11,974
Total S A Spon ADR	2,067	9,663	10,724
Unilever PLCS (new) ADS	5,473	7,187	9,961
United Parcel Ser Inc Cl-B	-	3,595	3,813
Ventas Inc	4,756	6,831	6,721
Verizon Communications	18,667	20,585	23,501
Vodafone Group PLC	-	17,443	21,245
Welltower Inc	6,590	8,852	8,928
	<b>1,807,910</b>	<b>1,891,673</b>	<b>2,629,604</b>
Trades Pending	-	-	-
Return of Capital	(38)	(123)	(123)
<b>Total Common Stocks (MSSB)</b>	<b>1,807,872</b>	<b>1,891,550</b>	<b>2,629,481</b>

**STATEMENT 5 -****Corporate Bonds (MSSB)**

GMAC Cap Trust I	3,978	6,372	6,539
Citigroup Capt XIII	1,499	2,590	2,748
Hartfor Finl Svc Grp	3,963	2,497	2,487
Reinsurance Group America Inc (RZA)	5,047	4,647	4,788
Allstate Corp	4,500	3,770	3,910
Qwest Corp	988	1,132	1,083
Ebay Inc	1,987	-	-
Reinsurance Grp of America (RZB)	4,897	6,195	6,522
Torchmark Corp	962	734	776
Allergen Funding SCS	-	19,129	19,014
Constellation Brands Inc	20,117	-	-
Tesoro Corp	19,333	-	-
Eaton Corp	20,058	-	-
Potash Corporation of Saskatchewan Inc	19,343	-	-
Nordstrom Inc	18,912	-	-
Actavis Funding Scs	19,129	-	-
Apple Inc	19,919	19,919	19,951
Walgreen Boots Alliance	15,096	-	-
Southern Power Co	19,963	19,963	19,968
Citigroup Inc	19,033	19,033	18,980
General Mills Inc	19,462	19,462	18,679
Hughes Satellite Systems Corporation	19,474	19,474	18,810
American Honda Finance	19,673	19,673	19,723
CVS Caremark Corp	19,138	19,138	18,943
Cisco Systems Inc	19,811	-	-
DTE Energy Co	19,698	19,698	19,683
D R Horton Inc	19,760	19,760	19,544
Equinix Inc	10,525	-	-
Reynolds American Inc	19,594	19,594	19,306
Exelon Corp	19,317	19,317	19,177

	BEGINNING OF YEAR	END OF YEAR	
	Book Value	Book Value	Fair Market Value
Verizon Communications	16,557	-	-
Lockheed Martin Corp	19,104	19,104	19,121
Dominion Resources Inc	10,851	21,519	21,119
Limited Brands Inc	19,778	19,778	19,710
AT&T Inc	26,798	26,798	26,370
Rio Tinto Fin USA Ltd	15,842	-	-
Walt Disney Company	19,208	19,208	18,751
Intl Lease Finance Corp	19,349	19,349	19,269
Ball Corp	19,956	19,956	20,283
Berkshire Hathaway Fin	19,522	19,522	19,438
United Parcel Service	20,021	16,017	15,961
PVH Corp	19,360	19,360	19,424
John Deere Capital Corp	-	24,148	24,094
Merck & Co Inc	-	24,223	24,200
Oracle Corp	19,839	19,839	19,949
Toyota Motor Credit Corp	19,235	19,235	19,551
Simon Property Group LP	19,843	19,843	19,774
Waste Management Inc	19,580	19,580	19,672
Amerigas Finance LLC/Cor	20,000	20,000	20,800
Bank of America Corp	19,425	19,425	20,008
Steel Dynamics Inc	19,083	19,082	19,125
Fedex Corp	19,085	-	-
Aes Corp/VA	19,621	19,621	21,000
Qualcomm Inc	19,322	19,322	19,043
General Motors Financial Co Inc	19,782	19,782	20,842
Kraft Heinz Foods Company	19,338	19,338	19,625
Sally Hldgs LLC / Sally Cap Inc	19,760	19,760	18,905
Express Scripts Holding Co	16,552	16,552	15,918
Comcast Corp	19,977	19,977	20,149
GLP Capital LP / Fin II	19,451	19,451	20,377
Ace Ina Holdings Inc	19,230	-	-
Boston Properties LP	19,468	19,468	19,811
Ecolab Inc	19,955	19,954	20,131
Time Warner Inc	-	19,972	19,981
CSX Corp	-	21,422	20,979
EPR Properties	-	22,350	22,125
Jeffries Group Inc	-	16,042	16,264
	<b>1,000,068</b>	<b>921,094</b>	<b>922,400</b>
Accrued Interest	-	-	7,551
Premium Amortization	60,950	58,107	-
<b>Total Corporate Bonds (MSSB)</b>	<b>1,061,018</b>	<b>979,201</b>	<b>929,951</b>

**STATEMENT 6 -****Exchange-Traded & Closed-End Funds**

SPDR S&P 500 ETF Trust	38,149	48,448	48,569
Ishares Core S&P U S Value	41,210	38,565	38,614
<b>Total ETF's &amp; CEF's</b>	<b>79,359</b>	<b>87,013</b>	<b>87,183</b>