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Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

2008

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2008, or tax year beginning DEC 1, 2008, and ending NOV 30, 2009

G Check all that apply: ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type See Specific Instructions.	Name of foundation GEORGE FOUNDATION, INC.		A Employer identification number 56-1282417
	Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (828) 725-4424
	City or town, state, and ZIP code HICKORY, NC 28603		C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H 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	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 6,749,850. (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 <input type="checkbox"/>

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).)

	(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	1,675,000.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	36,782.	36,782.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	<142,509.>			STATEMENT 1
b Gross sales price for all assets on line 6a	1,355,965.			
7 Capital gain net income (from Part IV, line 2)		0.		
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)				
11 Other income				
12 Total. Add lines 1 through 11	1,569,273.	36,782.		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees STMT 3	2,500.	2,500.		0.
c Other professional fees STMT 4	23,569.	23,569.		0.
17 Interest				
18 Taxes STMT 5	107.	0.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses				
24 Total operating and administrative expenses. Add lines 13 through 23	26,176.	26,069.		0.
25 Contributions, gifts, grants paid	909,200.			909,200.
26 Total expenses and disbursements. Add lines 24 and 25	935,376.	26,069.		909,200.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	633,897.			
b Net investment income (if negative, enter -0-)		10,713.		
c Adjusted net income (if negative, enter -0-)			N/A	

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

Form 990-PF (2008)

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	995,175.	1,774,899.	1,774,899.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ 4.			
	Less: allowance for doubtful accounts ▶	11,651.	4.	4.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock STMT 6	5,021,352.	4,891,831.	4,974,947.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	6,028,178.	6,666,734.	6,749,850.	
Liabilities	17 Accounts payable and accrued expenses		4,659.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	4,659.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	6,028,178.	6,662,075.	
30 Total net assets or fund balances	6,028,178.	6,662,075.		
31 Total liabilities and net assets/fund balances	6,028,178.	6,666,734.		

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	6,028,178.
2 Enter amount from Part I, line 27a	2	633,897.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	6,662,075.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	6,662,075.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	VARIOUS	P	VARIOUS	VARIOUS
b	VARIOUS	P	VARIOUS	VARIOUS
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 398,623.		340,602.	58,021.
b 957,342.		1,157,872.	<200,530.>
c			
d			
e			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			58,021.
b			<200,530.>
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	<142,509.>
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). If (loss), enter -0- in Part I, line 8		3	N/A

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))
2007	889,020.	5,960,856.	.149143
2006	728,184.	6,847,187.	.106348
2005	978,246.	5,689,101.	.171951
2004	879,387.	5,082,903.	.173009
2003	685,250.	4,579,765.	.149626

2 Total of line 1, column (d)	2	.750077
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	.150015
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	4,977,783.
5 Multiply line 4 by line 3	5	746,742.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	107.
7 Add lines 5 and 6	7	746,849.
8 Enter qualifying distributions from Part XII, line 4	8	909,200.

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 letter: _____ (attach copy of ruling letter if necessary-see instructions)			
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		1	107.
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	107.
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	107.
6 Credits/Payments:			
a 2008 estimated tax payments and 2007 overpayment credited to 2008	6a	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	180.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	73.	
11 Enter the amount of line 10 to be: Credited to 2009 estimated tax <input checked="" type="checkbox"/> 73. Refunded <input type="checkbox"/>	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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> NC		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>RONALD W. KNEDLIK</u> Telephone no. ► <u>828-725-4494</u> Located at ► <u>HICKORY, NC</u> ZIP+4 ► <u>28603</u>			
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		N/A

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 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 page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
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 2008?		1c
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 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? If "Yes," list the years ► _____	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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.)	N/A	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. ► _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2008 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 2008.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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 2008?		4b

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 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ 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)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If you answered "Yes" to 6b, also file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

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.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 7		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

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

0

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***3** Five highest-paid independent contractors for professional services. 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 NONE	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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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	4,106,430.
b	Average of monthly cash balances	1b	947,157.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	5,053,587.
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	5,053,587.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	75,804.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,977,783.
6	Minimum investment return. Enter 5% of line 5	6	248,889.

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	248,889.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	107.
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	107.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	248,782.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	248,782.
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	248,782.

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	909,200.
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	909,200.
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	5	107.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	909,093.

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 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				248,782.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2008:				
a From 2003	458,948.			
b From 2004	627,268.			
c From 2005	698,299.			
d From 2006	402,257.			
e From 2007	591,337.			
f Total of lines 3a through e	2,778,109.			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ \$	909,200.			
a Applied to 2007, but not more than line 2a			0.	
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 2008 distributable amount				248,782.
e Remaining amount distributed out of corpus	660,418.			
5 Excess distributions carryover applied to 2008 (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	3,438,527.			
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 2007. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7	458,948.			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	2,979,579.			
10 Analysis of line 9:				
a Excess from 2004	627,268.			
b Excess from 2005	698,299.			
c Excess from 2006	402,257.			
d Excess from 2007	591,337.			
e Excess from 2008	660,418.			

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

N/A

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling

▶

- b[†]** Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT B ATTACHED				909,200.
Total			▶ 3a	909,200.
b Approved for future payment GREATER HICKORY COOPERATIVE CHRISTIAN MINISTRY				50,000.
Total			▶ 3b	50,000.

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

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
	(1) Cash		X
	(2) Other assets		X
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization		X
	(2) Purchases of assets from a noncharitable exempt organization		X
	(3) Rental of facilities, equipment, or other assets		X
	(4) Reimbursement arrangements		X
	(5) Loans or loan guarantees		X
	(6) Performance of services or membership or fundraising solicitations		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

- 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
N/A		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer or trustee

2-10-2010

Treasurer
Title

**Paid
Preparer's
Use Only**

Preparer's
signature

Firm's name (or yours
if self-employed),
address, and ZIP code

Amick L. Mott

RSM MCGLADREY, INC.
230 N ELM ST STE 1100
GREENSBORO, NC 27401

Date _____

1-20-10

Check if self-employed	
------------------------	--

Preparer's identifying number

P00239389

EIN ► 41-1944416

Phone no. (336) 272-4551

Form **990-PF** (2008)

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No 1545-0047

2008

Name of the organization

Employer identification number

GEORGE FOUNDATION, INC.

56-1282417

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule

- ☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions
for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization

Employer identification number

GEORGE FOUNDATION, INC.

56-1282417

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	HELEN B. GEORGE 16 9TH AVE NE HICKORY, NC 28601	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	LOWES FOOD STORES, INC PO BOX 24908 WINSTON-SALEM, NC 27114	\$ 175,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
3	MERCHANTS DISTRIBUTORS, INC PO BOX 2148 HICKORY, NC 28603	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

FORM 990-PF	GAIN OR (LOSS) FROM SALE OF ASSETS	STATEMENT	1
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(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
VARIOUS					
	398,623.	340,602.	0.	0.	58,021.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
VARIOUS					
	957,342.	1,157,872.	0.	0.	<200,530.>

CAPITAL GAINS DIVIDENDS FROM PART IV	0.
TOTAL TO FORM 990-PF, PART I, LINE 6A	<142,509.>

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	2
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
WACHOVIA	36,782.	0.	36,782.
TOTAL TO FM 990-PF, PART I, LN 4	36,782.	0.	36,782.

FORM 990-PF	ACCOUNTING FEES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING FEE	2,500.	2,500.			0.
TO FORM 990-PF, PG 1, LN 16B	2,500.	2,500.			0.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
MANAGEMENT FEES	23,569.	23,569.			0.
TO FORM 990-PF, PG 1, LN 16C	23,569.	23,569.			0.

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
EXCISE TAX	107.	0.			0.
TO FORM 990-PF, PG 1, LN 18	107.	0.			0.

FORM 990-PF	CORPORATE STOCK		STATEMENT	6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
SEE STATEMENT A	4,891,831.	4,974,947.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,891,831.	4,974,947.		

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT 7
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
BOYD GEORGE HICKORY, NC 28603	PRESIDENT, DIRECTOR 0.00	0.	0.	0.
RONALD W. KNEDLIK HICKORY, NC 28603	TREASURER, DIRECTOR 0.00	0.	0.	0.
JOYCE GEORGE CORBETT HICKORY, NC 28603	DIRECTOR 0.00	0.	0.	0.
WILLIAM R. WADDELL HICKORY, NC 28603	DIRECTOR 0.00	0.	0.	0.
JOHN ORGAIN HICKORY, NC 28603	SECRETARY, DIRECTOR 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

George Foundation, Inc.
11/30/09

56-1282417

Form 990-PF, Part II, line 10b

Security	Shares	Date Acquired	Cost	Per Share Value	Market Value
<i>MUTUAL FUNDS</i>					
Hotchkis & Wiley Mid Cap Value Fd Cusip 44134R800	11,050.555	Various	287,592	17.450	192,832
Artio Global Investment Funds Cusip 481370500	13,175.447	Various	450,009	30.020	395,527
Legg Mason Value Trust Cusip 524659208	5,835.826	Various	384,007	41.530	242,362
Blackrock Large Cap Funds Cusip 09250J502	35,393.895	Various	346,251	9.900	350,400
Cambiar Opportunity Fund Cusip 0075W0825	23,640.443	Various	438,210	14.940	353,188
DWS Dreman Small Cap Cusip 23338F762	5,716.567	Various	181,047	29.800	170,354
Goldman Sachs TR	41,394.880	Various	41,395	1.000	41,395
Quantitative Group Fds Foreign Value Cusip 74762R830	17,868.893	Various	288,083	11.960	213,712
Security Equity Ed Cusip 814219887	5,550.487	Various	117,396	26.000	144,313
T Rowe Price Mid-Cap Growth Fund Cusip 779556109	3,270.254	Various	115,564	45.170	147,717
Touchstone Large Cap Growth Cusip 89154X633	18,017.789	Various	305,701	19.890	358,374
Wells Fargo Fds TR Cusip94975J490	16,055.618	Various	122,986	10.670	171,313
Delaware Group Advisor Cusip 245917802	37,713.674	Various	387,052	12.550	473,307
RS Investment Funds Emerging Markets Cusip 700159833	8,984.220	Various	119,258	22.670	203,672
John Hancock Classic Value Cusip 409902756	23,923.810	Various	306,571	14.400	344,503
Harbor International Cusip 411511306	5,089.770	Various	215,423	54.700	278,410
Oppenheimer Intl Growth	18,273.350	Various	344,403	24.200	442,215

George Foundation, Inc.
1/30/09

56-1282417

Form 990-PF, Part II, line 10b

Security	Shares	Date Acquired	Cost	Per Share Value	Market Value
<i>MUTUAL FUNDS</i>					
Cusip 68380L407					
Morgan Stanley Inst. Mid Cap Cusip 617440508	7,174.142	Various	193,917	27.09	194,348
PIMCO Fdx PAC Inv Cusip 722005667	18,730.773	Various	147,741	8.53	159,773
AIM Global Real Estate Cusip 00142C219	10,488.871	Various	99,225	9.27	97,232
			<u>4,891,831</u>		<u>4,974,947</u>

George Foundation, Inc.

Fed. ID No. 56-1282417

Contributions

FYE 11/30/09

Contributions

Date	Payee	Amount	Purpose of Contributions	501 (c)(3) Organization
12/12/08	YMCA of NW NC	25,000.00	For General Support	Yes
12/12/08	Second Harvest Bank of NW NC	20,000.00	For General Support	Yes
12/12/08	Duke's Children Ctr for Healthy Lifestyles	5,000.00	For General Support	Yes
12/12/08	Salvation Army	10,000.00	For General Support	Yes
12/12/08	Greater Hickory Coop Christian Ministry	50,000.00	For General Support	Yes
12/12/08	Caldwell County Pathways	5,000.00	For General Support	Yes
12/12/08	Catawba Science	30,000.00	For General Support	Yes
12/12/08	American Red Cross	20,000.00	For General Support	Yes
12/12/08	Hickory Soup Kitchen	5,000.00	For General Support	Yes
12/12/08	Family Care Ctr of Catawba Valley	50,000.00	For General Support	Yes
12/12/08	ALFA	5,000.00	For General Support	Yes
12/12/08	Catawba Co. Social Services	10,000.00	For General Support	Yes
12/12/08	Habitat for Humanity	40,000.00	For General Support	Yes
12/12/08	Flynn Christian Home of Hickory	15,000.00	For General Support	Yes
12/12/08	Catawba Co Christmas Bureau	10,000.00	For General Support	Yes
12/12/08	Catawba Valley Medical Center	10,000.00	For General Support	Yes
12/12/08	Shelter Home of Caldwell Co	10,000.00	For General Support	Yes
12/12/08	Joe & Marie Reynolds Hospital & Guest Home	50,000.00	For General Support	Yes
12/12/08	Patrick Beaver Learning Resource Center	10,000.00	For General Support	Yes
12/12/08	Hickory Museum of Art	5,000.00	For General Support	Yes
12/12/08	Maryvale Sisters	10,000.00	For General Support	Yes
12/12/08	Food for All	10,000.00	For General Support	Yes
12/12/08	Palliative Care Ctr & Hospice of Catawba Co	100,000.00	For General Support	Yes
12/12/08	YMCA of Catawba Valley	50,000.00	For General Support	Yes
12/12/08	SALT Block Foundation	75,000.00	For General Support	Yes
12/12/08	Family Guidance Center	50,000.00	For General Support	Yes
03/13/09	Camp Air Adventure	200.00	For General Support	Yes
03/13/09	Caldwell Early College High School	500.00	For General Support	Yes
03/13/09	Hickory High Academic Honors Committee	200.00	For General Support	Yes
03/13/09	Dayspring Ministries	1,000.00	For General Support	Yes
03/13/09	NC 4-H Development Funds	500.00	For General Support	Yes
03/13/09	Catawba Co Historical Assoc	500.00	For General Support	Yes
03/13/09	American Cancer Society	1,000.00	For General Support	Yes
03/13/09	Ed Foundation of Caldwell County	500.00	For General Support	Yes
03/13/09	Hickory Museum of Art	1,000.00	For General Support	Yes
03/13/09	Hickory Landmark Society	1,000.00	For General Support	Yes
03/13/09	Girl Scout Council of Catawba Valley	1,000.00	For General Support	Yes
03/13/09	NC Center for Nonprofits	500.00	For General Support	Yes
03/13/09	Caldwell Hospice Foundation	2,000.00	For General Support	Yes
03/13/09	Caldwell Co Habitat for Humanity	2,000.00	For General Support	Yes
03/13/09	Sipe's Orchard Home	4,000.00	For General Support	Yes
03/13/09	Special Olympics of NC	800.00	For General Support	Yes
03/13/09	American Diabetes Assoc	500.00	For General Support	Yes
03/13/09	Center for Creative Leadership	1,000.00	For General Support	Yes
03/13/09	Burke Hospice & Palliative Care	500.00	For General Support	Yes
03/13/09	Pregnancy Care Center	1,000.00	For General Support	Yes
03/13/09	History Museum of Burke Co.	5,000.00	For General Support	Yes
04/28/09	United Fund of Surry	500.00	For General Support	Yes
04/28/09	Caldwell Hospice Foundation	500.00	For General Support	Yes
04/28/09	Ebenezer Baptist Church	500.00	For General Support	Yes
04/28/09	Carolina Healthcare Foundation	500.00	For General Support	Yes
05/06/09	Through Healing Eyes	2,000.00	For General Support	Yes
05/06/09	Forgotten Future of Forsyth	2,000.00	For General Support	Yes
05/06/09	Western Piedmont Symphony	1,000.00	For General Support	Yes
05/06/09	Bretts Ride for Rhabdo	4,000.00	For General Support	Yes
05/06/09	Burke Arts Council	1,000.00	For General Support	Yes
05/06/09	CCC&TI	2,000.00	For General Support	Yes
05/06/09	Caldwell Arts Council	1,000.00	For General Support	Yes
05/06/09	Exodus Homes	1,000.00	For General Support	Yes
05/06/09	Philadelphia Theatre Company	10,000.00	For General Support	Yes
05/06/09	Lenoir Rhyne College	8,000.00	For General Support	Yes
05/06/09	Catawba Co. Parenting Network	500.00	For General Support	Yes
05/06/09	Hickory Choral Society	1,000.00	For General Support	Yes
05/06/09	Family Guidance Center	1,000.00	For General Support	Yes
05/06/09	Piedmont Educational Foundation	2,000.00	For General Support	Yes
05/06/09	Caldwell Memorial Hospital Foundation	500.00	For General Support	Yes
05/06/09	Rape Crisis Center of Catawba Co.	2,000.00	For General Support	Yes
05/06/09	Hickory Rescue Squad	500.00	For General Support	Yes
05/06/09	Catawba Co. Library System	1,000.00	For General Support	Yes
05/06/09	ECOCM	5,000.00	For General Support	Yes
05/06/09	NC Outward Bound	3,000.00	For General Support	Yes
06/23/09	Young Life	1,000.00	For General Support	Yes
07/06/09	Service League of Hickory	500.00	For General Support	Yes
07/06/09	Sipe's Orchard Home	4,000.00	For General Support	Yes
07/06/09	City of Refuge Comm Devel Ctr	1,000.00	For General Support	Yes
07/06/09	Dayspring Ministries	500.00	For General Support	Yes
07/06/09	Hickory Community Theatre	1,000.00	For General Support	Yes
07/06/09	March of Dimes	500.00	For General Support	Yes
07/15/09	Forrest Hunt Basketball Camp	1,000.00	For General Support	Yes
07/15/09	Donald Hicks Basketball Camp	1,000.00	For General Support	Yes
08/28/09	American Cancer Society	1,000.00	For General Support	Yes
08/28/09	Council on Adolescents	2,000.00	For General Support	Yes
08/28/09	Caldwell Co Pathways	5,000.00	For General Support	Yes
08/28/09	ICFNC	6,500.00	For General Support	Yes
08/28/09	ALFA	1,000.00	For General Support	Yes
09/22/09	Wake Forest University	60,000.00	For General Support	Yes
10/16/09	Greater Hickory Coop Christian Ministry	1,000.00	For General Support	Yes
10/16/09	Caldwell Hospice & Palliative Care	500.00	For General Support	Yes
10/16/09	Girls on the Run	1,000.00	For General Support	Yes
10/16/09	Girl Scout Council of Catawba Valley	1,000.00	For General Support	Yes
10/16/09	Crosby Scholars Community Partnership	1,000.00	For General Support	Yes
10/16/09	Boy Scouts of America	5,000.00	For General Support	Yes
10/16/09	Tom from Home	1,000.00	For General Support	Yes
11/23/09	United Way of Florence	5,000.00	For General Support	Yes
11/23/09	United Way of Catawba Co.	10,000.00	For General Support	Yes
11/23/09	United Way of Catawba Co.	10,000.00	For General Support	Yes
11/23/09	United Way of Caldwell Co.	10,000.00	For General Support	Yes
11/23/09	United Way of Forsyth Co.	20,000.00	For General Support	Yes
11/23/09	United Way of Burke Co.	1,000.00	For General Support	Yes
11/23/09	United Way of Alexander Co.	1,500.00	For General Support	Yes

909,200.00