Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning JUL 1, 2009 , **and ending** JUN 30, 2010

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

Use the IRS label Otherwise, print or type. See Specific Instructions.

Name of foundation: THE PAUL & CAROL COLE FOUNDATION, INC.

Number and street (or P O box number if mail is not delivered to street address): 2126 REID AVENUE — Room/suite:

City or town, state, and ZIP code: BLUEFIELD, WV 24701

A Employer identification number 54-1830656

B Telephone number (304)325-8116

C If exemption application is pending, check here ▶ [ ]

D 1 Foreign organizations, check here ▶ [ ]
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

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

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

H Check type of organization: [X] Section 501(c)(3) exempt private foundation
[ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 170,726.

J Accounting method: [X] Cash [ ] Accrual
[ ] Other (specify)
(Part I, column (d) must be on cash basis)

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	33,500.		N/A	
	2 Check ▶ [ ] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	2,674.	2,674.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<4,560.>			
	b Gross sales price for all assets on line 6a 42,431.				
	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	31,614.	2,674.		
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 1	825.	413.		412.
	c Other professional fees STMT 2	1,438.	719.		719.
	17 Interest				
	18 Taxes STMT 3	18.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 4	25.	13.		12.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	2,306.	1,145.		1,143.
	25 Contributions, gifts, grants paid	5,000.			5,000.
	26 **Total expenses and disbursements** Add lines 24 and 25	7,306.	1,145.		6,143.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	24,308.			
	b **Net investment income** (if negative, enter -0-)		1,529.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	7,442.	18,703.	18,703.
	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			
	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			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 5	143,965.	157,012.	152,023.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	151,407.	175,715.	170,726.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [ ] and complete lines 24 through 26 and lines 30 and 31**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] 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	151,407.	175,715.	
	30 **Total net assets or fund balances**	151,407.	175,715.	
	31 **Total liabilities and net assets/fund balances**	151,407.	175,715.	

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	151,407.
2 Enter amount from Part I, line 27a	2	24,308.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	175,715.
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	175,715.

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	PUBLICLY TRADED SECURITIES	P		
b	PUBLICLY TRADED SECURITIES	P		
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	9,952.		8,240.	1,712.
b	32,479.		38,751.	<6,272.>
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				1,712.
b				<6,272.>
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	<4,560.>
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))
2008	6,442.	114,235.	.056393
2007	5,214.	133,418.	.039080
2006	3,386.	97,192.	.034838
2005	4,030.	69,574.	.057924
2004	3,033.	65,786.	.046104

2 **Total** of line 1, column (d)	2	.234339
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	.046868
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	148,229.
5 Multiply line 4 by line 3	5	6,947.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	15.
7 Add lines 5 and 6	7	6,962.
8 Enter qualifying distributions from Part XII, line 4	8	6,143.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	31.
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	31.
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	31.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a		
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	0.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached		8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	31.
10 **Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ **Refunded** ▶		11	

Part VII-A Statements Regarding Activities

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

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation 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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ WILLIAM P. COLE, JR. Telephone no. ▶ 304-325-8116

Located at ▶ 2126 REID AVENUE, BLUEFIELD, WV ZIP+4 ▶ 24701

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?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):				
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ______, ______, ______, ______				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	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?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2009 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 2009.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		4b		X

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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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? — 6b — No: X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? 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 6		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

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 N/A	
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	143,416.
b	Average of monthly cash balances		1b	7,070.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	150,486.
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	150,486.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	2,257.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	148,229.
6	**Minimum investment return.** Enter 5% of line 5		6	7,411.

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	7,411.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 31.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	31.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	7,380.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	7,380.
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	7,380.

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	6,143.
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	6,143.
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	0.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	6,143.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				7,380.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			4,620.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 6,143.				
a Applied to 2008, but not more than line 2a			4,620.	
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 2009 distributable amount				1,523.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				5,857.
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 2004 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2010** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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 2009, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

WILLIAM P. COLE, JR.

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.

NONE

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 of the person to whom applications should be addressed:

WILLIAM P. COLE, JR., 304-325-8116
2126 REID AVENUE, BLUEFIELD, WV 24701

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

N/A

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:

NONE

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 7				
Total			▶ 3a	5,000.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	2,674.	
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	<4,560.>	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		<1,886.>	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 <1,886.>

(See worksheet in line 13 instructions to verify calculations.)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

Part XVII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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		

Sign Here

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

Paul Cole, Jr | 10-19-10 | Chairman

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	Gary Connell CPA	Date 10/7/10	Check if self-employed ☒	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code	BROWN, EDWARDS & COMPANY, L.L.P. PO BOX 1697 BLUEFIELD, WV 24701	EIN	Phone no. 304.325.8157

923622 02-02-10

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR STATEMENT 7

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ANIMAL SHELTER BLDG FUND, PRINCETON, WV 24740	NONE CHARITABLE	PUBLIC	500.
BIBLE IN THE SCHOOLS, PO BOX 543, BLUEFIELD, WV 24701	NONE CHARITABLE	PUBLIC	500.
BLUEFIELD UNION MISSION, 2203 BLUEFIELD AVENUE, BLUEFIELD, WV 24701	NONE CHARITABLE	PUBLIC	1,000.
CHILD PROTECT, 204 S. 4TH STREET, PRINCETON, WV 24740	NONE CHARITABLE	PUBLIC	500.
MERCER COUNTY FELLOWSHIP HOME, 421 SCOTT STREET, BLUEFIELD WV 24701	NONE CHARITABLE	PUBLIC	500.
MERCER COUNTY HEALTH RIGHT, INC, BLUEFIELD WV 24701	NONE CHARITABLE	PUBLIC	500.
WADE CENTER, 1400 HIGHLAND AVENUE, BLUEFIELD, WV 24701	NONE CHARITABLE	PUBLIC	500.
WE CAN, BLUEFIELD, WV 24701	NONE CHARITABLE	PUBLIC	500.

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, or 990-PF.**	OMB No 1545-0047 **2009**

Name of the organization	Employer identification number
THE PAUL & CAROL COLE FOUNDATION, INC.	54-1830656

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 an organization 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 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 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 (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions 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 990-EZ that received from any one contributor, during the year, 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. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization: THE PAUL & CAROL COLE FOUNDATION, INC.

Employer identification number: 54-1830656

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	COLE AUTO OUTLET, INC. PO BOX 235 BLUEFIELD, VA 24605	$ 5,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
2	COLE CHEVROLET-CADILLAC, INC. PO BOX 688 BLUEFIELD, WV 24701	$ 11,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
3	COLE TRUCK PARTS, INC. PO BOX 1298 BLUEFIELD, WV 24701	$ 7,500.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
4	COLE HARLEY-DAVIDSON, INC. BLUEFIELD, WV 24701	$ 5,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
5	COLE AUTOMOTIVE GROUP, LLC PO BOX 1810 BLUEFIELD, WV 24701	$ 5,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

ACCOUNT # J15042
TAX ID 54-1830656
FROM 07/01/2009
TO 06/30/2010
FISCAL YEAR: 12/31

FIRST CENTURY BANK,
Gain and Loss Report
FIRST CENTURY BANK, NA
AGENT FOR THE PAUL & CAROL
COLE FOUNDATION

AS OF 08/02/2010
RUN AUG 02 2010

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
SHORT TERM CAPITAL GAIN (LOSS)					
1.428 SHARES OF AMERICAN EUROPACIFIC GROWTH FUND F2	07/08/2009 04/21/2009	43.28	39.08	4.20	12
39.3548 SHARES OF ARTIO TOTAL RETURN BOND FUND -I	07/08/2009 07/10/2008	509.64	524.60	(14.96)	12
8.957 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	07/08/2009 07/10/2008	213.62	225.98	(12.36)	12
63.692 SHARES OF ADVISORS INNER CIRCLE FUND-ACADIAN EMERGING MARKETS PORTFOLIO INSTITUTIONAL SHARE	01/12/2010 07/08/2009	1,087.70	800.61	287.09	35
2.679 SHARES OF ADVISORS INNER CIRCLE FUND-ACADIAN EMERGING MARKETS PORTFOLIO INSTITUTIONAL SHARE	01/12/2010 12/30/2009	45.75	44.29	1.46	35
48.482 SHARES OF BUFFALO SMALL CAP FUND INC	01/12/2010 01/14/2009	1,098.60	740 32	358.28	35
6.525 SHARES OF BUFFALO SMALL CAP FUND INC	01/12/2010 06/08/2009	147.86	126.26	21.60	35
1.417 SHARES OF BUFFALO SMALL CAP FUND INC	01/12/2010 07/08/2009	32.11	26.05	6.06	35

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AS OF 08/02/2010
RUN AUG 02 2010

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
SHORT TERM CAPITAL GAIN (LOSS) - CONTINUED					
.312 SHARES OF BUFFALO SMALL CAP FUND INC	01/12/2010 12/18/2009	7.07	6.88	0.19	35
8.221 SHARES OF ADVISORS INNER CIRCLE FUND-ACADIAN EMERGING MARKETS PORTFOLIO INSTITUTIONAL SHARE	04/07/2010 02/05/2010	144.27	125.05	19.22	35
130.313 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 04/21/2009	1,151.97	834.89	317.08	35
34.286 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 06/08/2009	303.09	246.75	56.34	35
275.041 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 07/08/2009	2,431.36	1,819.43	611.93	35
16.594 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 11/11/2009	146.69	136.98	9.71	35
11.183 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 12/15/2009	98.86	91.03	7.83	35
10.771 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 06/08/2009	266.25	252.26	13.99	35

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GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
SHORT TERM CAPITAL GAIN (LOSS) - CONTINUED					
3.111 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 12/24/2009	76.90	76.63	0.27	35
38.153 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 01/12/2010	943.14	950.38	(7.24)	35
1.195 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 03/29/2010	29.54	29.24	0.30	35
9.053 SHARES OF BUFFALO SMALL CAP FUND INC	04/07/2010 02/05/2010	230.94	196.44	34.50	35
24.172 SHARES OF AMERICAN EUROPACIFIC GROWTH FUND F2	04/07/2010 01/12/2010	944.17	947.30	(3.13)	35
TOTAL SHORT TERM CAPITAL GAIN (LOSS)		9,952.81	8,240.45	1,712.36	

ACCOUNT # . 015042
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FROM 07/01/2009
TO 06/30/2010
FISCAL YEAR: 12/31

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COLE FOUNDATION

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RUN AUG 02 2010

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
LONG TERM CAPITAL GAIN (LOSS)					
24.787 SHARES OF DAVIS NEW YORK VENTURE FUND Y	07/08/2009 01/12/2006	603.56	872.51	(268.95)	12
.469 SHARES OF DAVIS NEW YORK VENTURE FUND Y	07/08/2009 09/14/2006	11.42	16.87	(5.45)	12
19.984 SHARES OF DAVIS NEW YORK VENTURE FUND Y	07/08/2009 04/10/2007	486.61	801.36	(314.75)	12
29.577 SHARES OF DAVIS NEW YORK VENTURE FUND Y	07/08/2009 01/03/2008	720.20	1,177.17	(456.97)	12
33.691 SHARES OF DAVIS NEW YORK VENTURE FUND Y	07/08/2009 01/08/2008	820.38	1,287.00	(466.62)	12
.706 SHARES OF DAVIS NEW YORK VENTURE FUND Y	07/08/2009 04/10/2008	17.19	26.77	(9.58)	12
19.954 SHARES OF DODGE & COX STOCK FUND	07/08/2009 01/12/2006	1,468.02	2,831.45	(1,363.43)	12
69.953 SHARES OF GOLDMAN SACHS CORE FIXED INCOME FUND I	07/08/2009 01/05/2007	615.59	691.83	(76.24)	12
2.0342 SHARES OF ARTIO TOTAL RETURN BOND FUND -I	07/08/2009 12/27/2007	26.35	26.95	(0.60)	12
1.51 SHARES OF ARTIO TOTAL RETURN BOND FUND -I	07/08/2009 05/29/2008	19.55	20.07	(0.52)	12

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GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED					
2.72 SHARES OF ARTIO INTERNATIONAL EQUITY FUND II -I	07/08/2009 04/09/2008	26.17	43.77	(17.60)	12
52.728 SHARES OF EATON VANCE FLOATING-RATE FUND I	07/08/2009 01/05/2007	412.86	519.90	(107.04)	12
100.073 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	01/12/2010 04/10/2007	845.62	1,091.17	(245.55)	35
37.08 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	01/12/2010 10/16/2007	313.33	458.71	(145.38)	35
34.974 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	01/12/2010 12/28/2007	295.53	412.62	(117.09)	35
.827 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	01/12/2010 12/28/2007	6.99	9.76	(2.77)	35
98.52 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	01/12/2010 01/03/2008	832.50	1,135.81	(303.31)	35
32.025 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	01/12/2010 01/08/2008	270.60	345.85	(75.25)	35

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED					
79.8289 SHARES OF AMERICAN BEACON SMALL CAP VALUE FUND I	01/12/2010 01/12/2006	1,299.62	1,689.99	(390.37)	35
2.371 SHARES OF AMERICAN BEACON SMALL CAP VALUE FUND I	01/12/2010 07/13/2006	38.60	48.96	(10.36)	35
.662 SHARES OF AMERICAN BEACON SMALL CAP VALUE FUND I	01/12/2010 07/19/2006	10.78	13.87	(3.09)	35
.825 SHARES OF AMERICAN BEACON SMALL CAP VALUE FUND I	01/12/2010 07/21/2006	13.43	16.70	(3.27)	35
27.1831 SHARES OF AMERICAN BEACON SMALL CAP VALUE FUND I	01/12/2010 12/21/2007	442.54	489.57	(47.03)	35
5.044 SHARES OF AMERICAN BEACON SMALL CAP VALUE FUND I	01/12/2010 04/08/2008	82.12	90.85	(8.73)	35
1.813 SHARES OF AMERICAN BEACON SMALL CAP VALUE FUND I	01/12/2010 04/08/2008	29.51	32.65	(3.14)	35
335.397 SHARES OF T ROWE PRICE INST LARGE-CAP GROWTH FUND	01/12/2010 04/09/2008	4,752.57	4,749.22	3.35	35

ACCOUNT # 015042
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FIRST CENTURY BANK, NA
AGENT FOR THE PAUL & CAROL
COLE FOUNDATION

AS OF 08/02/2010
RUN AUG 02 2010

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED					
46.102 SHARES OF ADVISORS INNER CIRCLE FUND- ACADIAN EMERGING MARKETS PORTFOLIO INSTITUTIONAL SHARE	01/12/2010 01/05/2007	787 31	1,241.98	(454.67)	35
4.907 SHARES OF ADVISORS INNER CIRCLE FUND- ACADIAN EMERGING MARKETS PORTFOLIO INSTITUTIONAL SHARE	01/12/2010 01/18/2007	83.80	131.84	(48.04)	35
19.172 SHARES OF ADVISORS INNER CIRCLE FUND- ACADIAN EMERGING MARKETS PORTFOLIO INSTITUTIONAL SHARE	01/12/2010 10/14/2008	327.41	306.75	20 66	35
.991 SHARES OF VANGUARD INST INDEX FUND I	01/12/2010 01/18/2007	103.08	129.25	(26.17)	35
5.119 SHARES OF EATON VANCE FLOATING-RATE FUND I	01/12/2010 12/29/2006	44.43	50.42	(5.99)	35
64.3326 SHARES OF EATON VANCE FLOATING-RATE FUND I	01/12/2010 01/05/2007	558.41	634.32	(75.91)	35
5.2754 SHARES OF EATON VANCE FLOATING-RATE FUND I	01/12/2010 06/29/2007	45.79	51.96	(6.17)	35
106.767 SHARES OF T ROWE PRICE INST LARGE-CAP GROWTH FUND	04/07/2010 04/09/2008	1,585.49	1,511.82	73.67	35

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED					
447.863 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 01/12/2006	3,959.11	4,587.87	(628.76)	35
84.064 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 07/13/2006	743.13	812.98	(69.85)	35
2.091 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 07/19/2006	18.48	20.42	(1.94)	35
3 251 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 07/21/2006	28 74	30.84	(2.10)	35
84.528 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 09/14/2006	747.23	846.82	(99.59)	35
3.505 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 10/04/2006	30.98	35.94	(4.96)	35
24.074 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 01/05/2007	212.81	254.97	(42.16)	35
118.076 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 01/08/2008	1,043.79	1,275.17	(231.38)	35

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED					
7.282 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 04/10/2008	64.37	77.26	(12.89)	35
430.853 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 07/10/2008	3,808.74	4,245.30	(436.56)	35
126.767 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 10/14/2008	1,120.62	937.63	182.99	35
3.557 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 12/30/2008	31.44	22.61	8.83	35
17.19 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 12/30/2008	151.96	109.24	42.72	35
65.533 SHARES OF TRANSAMERICA WMC DIVERSIFIED GROWTH I2	04/07/2010 01/14/2009	579.32	395.96	183.36	35
2.211 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 06/26/2008	54.66	54.79	(0.13)	35
24.654 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 07/10/2008	609.45	622.02	(12.57)	35

ACCOUNT # J15042
TAX ID 54-1830656
FROM 07/01/2009
TO 06/30/2010
FISCAL YEAR: 12/31

FIRST CENTURY BANK,
Gain and Loss Report
FIRST CENTURY BANK, NA
AGENT FOR THE PAUL & CAROL
COLE FOUNDATION

AS OF 08/02/2010
RUN AUG 02 2010

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE	COST	GAIN OR LOSS	REG
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED					
3.637 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 09/25/2008	89.91	86.80	3.11	35
.067 SHARES OF VANGUARD INFLATION-PROTECTED SECURITIES FUND ADMIRAL	04/07/2010 03/26/2009	1.66	1.60	0.06	35
76.749 SHARES OF ARTIO INTERNATIONAL EQUITY FUND II -I	04/07/2010 01/18/2007	924.06	1,168.12	(244.06)	35
5.503 SHARES OF ARTIO INTERNATIONAL EQUITY FUND II -I	04/07/2010 04/09/2008	66.26	88.54	(22.28)	35
7.639 SHARES OF BUFFALO SMALL CAP FUND INC	04/07/2010 01/14/2009	194.87	116.65	78.22	35
TOTAL LONG TERM CAPITAL GAIN (LOSS)		32,478.95	38,751.25	(6,272.30)	

ACCOUNT # J15042
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FROM 07/01/2009
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FISCAL YEAR: 12/31

FIRST CENTURY BANK,
Gain and Loss Report
FIRST CENTURY BANK, NA
AGENT FOR THE PAUL & CAROL
COLE FOUNDATION

AS OF 08/02/2010
RUN AUG 02 2010

SUMMARY OF CAPITAL GAINS AND LOSSES

TOTAL SHORT TERM CAPITAL GAIN (LOSS)	1,712.36	
TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS	0.00	
NET SHORT TERM CAPITAL GAIN (LOSS)	1,712.36	1,712.36
TOTAL LONG TERM CAPITAL GAIN (LOSS)	(6,272.30)	
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	0.00	
TOTAL 28% RATE CAPITAL GAINS DIVIDENDS	0.00	
TOTAL SEC 1250 CAPITAL GAINS DIVIDENDS	0.00	
TOTAL SEC 1202 CAPITAL GAINS DIVIDENDS	0.00	
NET LONG TERM CAPITAL GAIN (LOSS)	(6,272.30)	(6,272.30)
NET CAPITAL GAIN (LOSS)		(4,559.94)
TOTAL GAIN/LOSS FROM SALES WITH UNKNOWN COST/ACQUISITION DATE	0.00	

THE PAUL & CAROL COLE FOUNDATION, INC. 54-1830656

FORM 990-PF	ACCOUNTING FEES		STATEMENT 1	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BROWN, EDWARDS & COMPANY, L.L.P.	825.	413.		412.
TO FORM 990-PF, PG 1, LN 16B	825.	413.		412.

FORM 990-PF	OTHER PROFESSIONAL FEES		STATEMENT 2	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FIRST CENTURY BANK, N.A.	1,438.	719.		719.
TO FORM 990-PF, PG 1, LN 16C	1,438.	719.		719.

FORM 990-PF	TAXES		STATEMENT 3	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAXES	18.	0.		0.
TO FORM 990-PF, PG 1, LN 18	18.	0.		0.

FORM 990-PF	OTHER EXPENSES		STATEMENT 4	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
WV STATUTORY ATTORNEY FEE	25.	13.		12.
TO FORM 990-PF, PG 1, LN 23	25.	13.		12.

FORM 990-PF — OTHER INVESTMENTS — STATEMENT 5

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FIXED INCOME FUNDS	COST	43,431.	45,061.
EQUITY FUNDS	COST	113,581.	106,962.
TOTAL TO FORM 990-PF, PART II, LINE 13		157,012.	152,023.

FORM 990-PF — PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS — STATEMENT 6

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
WILLIAM P. COLE, JR. 2126 REID AVENUE BLUEFIELD, WV 24701	DIRECTOR 0.00	0.	0.	0.
CAROL M. COLE 2126 REID AVENUE BLUEFIELD, WV 24701	DIRECTOR 0.00	0.	0.	0.
WILLIAM P. COLE, III 404 OAKHURST STREET BLUEFIELD, WV 24701	DIRECTOR 0.00	0.	0.	0.
CHARLES M. COLE 109 TITLEIST DRIVE BLUEFIELD, VA 24605	DIRECTOR 0.00	0.	0.	0.
THOMAS J. COLE 500 OAKHURST STREET BLUEFIELD, WV 24701	DIRECTOR 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

MERCER COUNTY HUMANE SOCIETY, PRINCETON, WV 24740	NONE CHARITABLE	PUBLIC	500.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			5,000.