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Form **990-PF**

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

OMB No 1545-0052

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning _____, and ending _____

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

Name of foundation J. TOM EADY CHARITABLE TRUST		A Employer identification number 75-6604134
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 624		B Telephone number (see page 10 of the instructions)
City or town, state, and ZIP code CORSICANA TX 75151		C If exemption application is pending, check here <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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 9,090,305	J Accounting method: <input checked="" type="checkbox"/> Cash, <input 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"/>
		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) (see page 11 of the instructions))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income <i>N/A</i>	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	302,243	302,243		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-10,428			
b Gross sales price for all assets on line 6a 1,741,491				
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 & allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule) Stmt 1	712	712		
12 Total. Add lines 1 through 11	292,527	302,955		
13 Compensation of officers, directors, trustees, etc.	28,703	25,833		2,870
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) Stmt 2	935	94		841
c Other professional fees (attach schedule)				
17 Interest MAR 08 2011				
18 Taxes (attach schedule) (see page 14 of the instructions) Stmt 3	3,291	42		
19 Depreciation (attach schedule) and depletion OGDEN, UT				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (att sch) Stmt 4	2,319			
24 Total operating and administrative expenses. Add lines 13 through 23	35,248	25,969		3,711
25 Contributions, gifts, grants paid	393,018			393,018
26 Total expenses and disbursements. Add lines 24 and 25	428,266	25,969		396,729
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-135,739			
b Net investment income (if negative, enter -0-)		276,986		
c Adjusted net income (if negative, enter -0-)				

ENVELOPE POSTMARK DATE MAR 03 2011 OPERATING AND ADMINISTRATIVE EXPENSES MAR 21 2011

For Paperwork Reduction Act Notice, see page 30 of the instructions.

Form 990-PF (2010)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	563,538	1,027,723	1,063,871
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	3,831	3,500	3,500
	10a	Investments—U S and state government obligations (attach schedule) Stmt 5	1,630,698	1,350,000	1,366,006
	b	Investments—corporate stock (attach schedule) See Stmt 6	3,814,374	4,112,290	4,311,230
	c	Investments—corporate bonds (attach schedule) See Stmt 7	2,860,831	2,244,857	2,340,319
	11	Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶				
12	Investments—mortgage loans				
13	Investments—other (attach schedule) See Statement 8	2,517	2,557	5,379	
14	Land, buildings, and equipment basis ▶				
	Less accumulated depreciation (attach sch) ▶				
15	Other assets (describe ▶)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	8,875,789	8,740,927	9,090,305	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	8,875,789	8,740,927	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
30	Total net assets or fund balances (see page 17 of the instructions)	8,875,789	8,740,927		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	8,875,789	8,740,927		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	8,875,789
2	Enter amount from Part I, line 27a	2	-135,739
3	Other increases not included in line 2 (itemize) ▶ See Statement 9	3	877
4	Add lines 1, 2, and 3	4	8,740,927
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	8,740,927

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a See Worksheet				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)		If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8				3
				-10,428

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 page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	435,102	7,984,232	0.054495
2008	468,726	8,854,565	0.052936
2007	460,298	9,645,108	0.047723
2006	478,040	9,412,542	0.050788
2005	465,083	9,506,442	0.048923
2 Total of line 1, column (d)			2 0.254865
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.050973
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 8,525,461
5 Multiply line 4 by line 3			5 434,568
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,770
7 Add lines 5 and 6			7 437,338
8 Enter qualifying distributions from Part XII, line 4 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 on page 18.			8 396,729

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	5,540
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	5,540
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	5,540
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	3,500
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	3,500
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	2,040
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 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the 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
c 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. \$ _____ (2) On foundation managers. \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? 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 page 19 of the instructions) TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? 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 page 20 of the 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 ▶ N/A	13	X	
14	The books are in care of ▶ Community National Bank & Trust P.O. Box 624 Located at ▶ Corsicana TX ZIP+4 ▶ 75151 Telephone no. ▶ 903-654-4500			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶	16	Yes	No X

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 checked="" type="checkbox"/> Yes <input 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 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
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 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If "Yes," list the years ▶ 20 , 20 , 20 , 20 <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 page 22 of the 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. ▶ 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2010 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 2010.) 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 2010?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here **5b** **X**

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** **X**
If "Yes" to 6a, 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 (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 10				

2 Compensation of five highest-paid employees (other than those included on line 1 — see page 23 of the instructions). If none, enter "NONE."

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

Total number of other employees paid over \$50,000 **0**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

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 page 24 of the instructions	
3	
Total. Add lines 1 through 3 ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	8,270,293
b	Average of monthly cash balances	1b	377,915
c	Fair market value of all other assets (see page 25 of the instructions)	1c	7,082
d	Total (add lines 1a, b, and c)	1d	8,655,290
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	8,655,290
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	129,829
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,525,461
6	Minimum investment return. Enter 5% of line 5	6	426,273

Part XI Distributable Amount (see page 25 of the 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	426,273
2a	Tax on investment income for 2010 from Part VI, line 5	2a	5,540
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	5,540
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	420,733
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	420,733
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	420,733

Part XII Qualifying Distributions (see page 25 of the 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	396,729
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	396,729
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	396,729

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				420,733
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			393,018	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e				
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 396,729				
a Applied to 2009, but not more than line 2a			393,018	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2010 distributable amount				3,711
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e Undistributed income for 2009. Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				417,022
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, 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				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of 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).)
N/A

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the 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.
Les Leskoven 903-654-4500
Community National Bank & Trust Corsicana TX 75151

b The form in which applications should be submitted and information and materials they should include:
See Statement 11

c Any submission deadlines
See Statement 12

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	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year See Statement 13				393,018
Total				393,018
b Approved for future payment N/A				
Total				3b

Capital Gains and Losses for Tax on Investment Income

Form **990-PF**

2010

For calendar year 2010, or tax year beginning _____, and ending _____

Name

Employer Identification Number

J. TOM EADY CHARITABLE TRUST

75-6604134

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
(1) FHLB	P	10/08/09	05/20/10
(2) FHLB	P	10/08/09	07/06/10
(3) FHLMC	P	06/04/10	12/30/10
(4) FNMA	P	10/20/09	07/30/10
(5) FNMA	P	12/07/09	06/30/10
(6) FNMA	P	03/19/10	10/08/10
(7) FNMA	P	05/17/10	12/10/10
(8) American General Finance	P	11/19/07	01/25/10
(9) Burlington Northern	P	05/11/06	02/16/10
(10) Colgate Polmolive	P	03/21/02	01/28/10
(11) Coummunity 1st CD	P	05/06/08	11/16/10
(12) FHLB	P	04/11/07	04/13/10
(13) FHLB	P	07/06/07	07/26/10
(14) FHLB	P	07/29/08	08/27/10
(15) FNMA	P	02/04/09	05/18/10

(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)
(1) 23,076		23,076	
(2) 76,923		76,923	
(3) 100,000		100,000	
(4) 100,000		100,000	
(5) 25,000		25,000	
(6) 55,000		55,000	
(7) 200,000		200,000	
(8) 71,900		100,000	-28,100
(9) 90,000		74,241	15,759
(10) 15,053		10,430	4,623
(11) 99,000		99,000	
(12) 100,000		100,000	
(13) 200,000		200,000	
(14) 100,000		100,000	
(15) 200,000		205,698	-5,698

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			-28,100
(9)			15,759
(10)			4,623
(11)			
(12)			
(13)			
(14)			
(15)			-5,698

Capital Gains and Losses for Tax on Investment Income

Form **990-PF**

2010

For calendar year 2010, or tax year beginning

, and ending

Name

Employer Identification Number

J. TOM EADY CHARITABLE TRUST

75-6604134

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
(1) Frontier Communications	P	11/01/99	07/27/10
(2) Frontier Communications	P	11/01/99	08/30/10
(3) Horicon Bank CD	P	05/06/08	05/14/10
(4) Household Finance	P	07/21/03	12/16/10
(5) Mcgraw Hill Companies	P	08/26/09	10/27/10
(6) Nationsbank Corp	P	01/11/01	05/15/10
(7) AIG Distribution Fund	P		11/09/10
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

(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)
(1) 6		12	-6
(2) 3,907		6,675	-2,768
(3) 98,000		98,000	
(4) 100,000		100,000	
(5) 33,357		28,890	4,467
(6) 50,000		48,974	1,026
(7) 269			269
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

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))
(1)			-6
(2)			-2,768
(3)			
(4)			
(5)			4,467
(6)			1,026
(7)			269
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Oil & Gas Royalties	\$ 712	\$ 712	\$
Total	\$ 712	\$ 712	\$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	\$ 935	\$ 94	\$	\$ 841
Total	\$ 935	\$ 94	\$ 0	\$ 841

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Production Taxes	\$ 8	\$ 8	\$	\$
Ad Valorem Taxes	34	34	\$	\$
990PF	3,249	\$	\$	\$
Total	\$ 3,291	\$ 42	\$ 0	\$ 0

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses	\$	\$	\$	\$
Newspaper Notice	59	\$	\$	\$
Dues	495	\$	\$	\$
Conferences & Travel	1,765	\$	\$	\$
Total	\$ 2,319	\$ 0	\$ 0	\$ 0

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See Attached Schedule	\$ 1,630,698	\$ 1,350,000	Cost	\$ 1,366,006
Total	<u>\$ 1,630,698</u>	<u>\$ 1,350,000</u>		<u>\$ 1,366,006</u>

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See Attached Schedule-Common Stock	\$ 3,814,374	\$ 4,112,290	Cost	\$ 4,311,230
Total	<u>\$ 3,814,374</u>	<u>\$ 4,112,290</u>		<u>\$ 4,311,230</u>

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See Attached Schedule	\$ 2,860,831	\$ 2,244,857	Cost	\$ 2,340,319
Total	<u>\$ 2,860,831</u>	<u>\$ 2,244,857</u>		<u>\$ 2,340,319</u>

Statement 8 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Non Producing Mineral Interest	\$ 1,797	\$ 1,797	Cost	\$ 1,797
Mineral Interests	703	703	Cost	3,525
Accrued Income	17	57	Cost	57
Total	<u>\$ 2,517</u>	<u>\$ 2,557</u>		<u>\$ 5,379</u>

Statement 9 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
Refund of prior taxes paid	\$ 877
Total	<u>\$ 877</u>

Federal Statements

Statement 10 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,
Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Community National Bank & Trust P.O. Box 624 Corsicana TX 75151	Trustee	10.00	28,703	0	0
Les Leskoven P.O. Box 624 Corsicana TX 75151	Board Member	1.00	0	0	0
B.F. Risinger 2200 Highland Circle Corsicana TX 75110	Board Member	1.00	0	0	0
Eric Meyers 909 S 12th Street Corsicana TX 75110	Board Member	1.00	0	0	0
George Burrell 3200 McKight Lane Corsicana TX 75110	Board Member	1.00	0	0	0

Statement 11 - Form 990-PF, Part XV, Line 2b - Application Format and Required ContentsDescription

No special form. Include amount and purpose of request.
Also include copy of 501(c)(3) letter from the IRS.
For Scholarships - See attached information and
application form.

Statement 12 - Form 990-PF, Part XV, Line 2c - Submission DeadlinesDescription

None
For scholarships, see attached.

Form 990-PF, Part XV, Line 2d - Award Restrictions or LimitationsDescription

None

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year

Name	Address	Relationship	Status	Purpose	Amount
Manasa Karumuri	Corsicana TX 75110	None		Scholarship	5,000
David A Sanoval	Corsicana TX 75110	None		Scholarship	5,000
Meagan Chiles	Corsicana TX 75110	None		Scholarship	5,000
Daniel Adams	Corsicana TX 75110	None		Scholarship	5,000
Joseph Motley	Corsicana TX 75110	None		Scholarship	5,000
Stephanie Colburn Sid	Corsicana TX 75110	None		Scholarship	5,000
Robert Restom	Corsicana TX 75110	None		Scholarship	5,000
Mckenzie Jordan	Corsicana TX 75110	None		Scholarship	2,000
Lindsey Sevens	Corsicana TX 75110	None		Scholarship	5,000
Frank Murchinson	Corsicana TX 75110	None		Scholarship	2,500
Rajshi Gandhi	Corsicana TX 75110	None		Scholarship	2,500
Katie Dugan	Corsicana TX 75110	None		Scholarship	2,500
Hannah Rogers	Corsicana TX 75110	None		Scholarship	2,500
Jessyka Schafer	Corsicana TX 75110	None		Scholarship	1,250
Ira Jamshidi	Corsicana TX 75110	None		Scholarship	2,500
Jason Harrison	Corsicana TX 75110	None		Scholarship	2,500
Cody Beauchamp	Corsicana TX 75110	None		Scholarship	2,500
Laura Bennett	Corsicana TX 75110	None		Scholarship	2,500
Nathan Ford	Corsicana TX 75110	None		Scholarship	5,000

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)

Name	Address	Relationship	Address	Status	Purpose	Amount
Ashley Lynch	Corsicana TX 75110	None			Scholarship	2,500
Brennan Farley	Corsicana TX 75110	None			Scholarship	
Keller Andrews	Corsicana TX 75110	None			Scholarship	5,000
Courtney Thompson	Corsicana TX 75110	None			Scholarship	1,819
Warehouse Living Arts Cen	P.O. Box 2224	None			Charitable operations	12,500
Corsicana YMCA	400 West Oaklawn	None		Exempt	Charitable operations	24,300
Habitat for Humanity		None		Exempt	Charitable operations	5,000
Corsicana ISD	601 N. 13th Street	None		Exempt	Charitable operations	500
Corsicana TX 75110		None		Exempt	Charitable operations	
Corsicana Field Aviation		None		Exempt	Charitable operations	
Corsicana TX 75110		None		Exempt	Charitable operations	
Blooming Grove Historical		None		Exempt	Charitable operations	
Blooming Grove TX 76626		None		Exempt	Charitable operations	
First United Methodist Ch	320 North 15th	None		Exempt	Charitable operations	9,000
Corsicana TX 75110		None		Exempt	Charitable operations	35,000
VOICE	100 North Main	None		Exempt	Charitable operations	
Corsicana TX 75110		None		Exempt	Charitable operations	10,000
Coyote Squadron of Corsic	515 Hidden Oaks Lane	None		Exempt	Charitable operations	
Corsicana TX 75110		None		Exempt	Charitable operations	1,000
City of Corsicana	200 North 12th	None		Exempt	Charitable operation	1,500
Corsicana TX 75110		None		Exempt	Charitable operations	5,000
Camp of Rising Sun		None		Exempt	Charitable operations	
Corsicana TX 75110		None		Exempt	Charitable operations	
Corsicana ISD Education F	601 North 13th	None		Exempt	Charitable operations	12,500
Corsicana TX 75110		None		Exempt	Capital improvements	10,000
James L Collins Catholic		None		Exempt	Capital improvements	25,000
Corsicana TX 75110		None		Exempt	Capital improvements	
Frost Volunteer Fire Dept		None		Exempt	Capital improvements	
Frost TX		None		Exempt	Capital improvements	
Workforce Network		None		Exempt	Charitable operations	4,800

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)

Name	Address	Relationship	Status	Purpose	Amount
United Way of Navarro Cou	115 North Main	None	Exempt	Charitable operations	41,500
Corsicana TX 75110	None				
Navarro Council of the Ar	P.O. Box 683	None	Exempt	Charitable operations	13,000
Corsicana TX 75151	None				
Family Service Associatio	517 N. Commerce St.	None	Exempt	Charitable operations	2,849
Corsicana TX 75110	None				
Navarro College Fd.	3200 W 7th Ave.	None	Exempt	Charitable operations	55,000
Corsicana TX 75110	None				
Palace Theatre	P.O. Box 408	None	Exempt	Charitable operations	22,000
Corsicana TX 75110	None				
Christmas in Action	P.O. Box 2261	None	Exempt	Charitable operations	10,000
Corsicana TX 75151	None				
American Red Cross	701 W. 2nd Avenue	None	Exempt	Charitable operations	12,500
Corsicana TX 75110	None				
Total					<u>393,018</u>

For the Account of:
J TOM EADY CHARITABLE TRUST



**COMMUNITY NATIONAL
 BANK & TRUST OF TEXAS**
 P.O. Box 624
 Corsicana, Texas 75151-9004
 (903) 654-4500



Account Number: 23 00 2023 0 02
 Date: DECEMBER 31, 2010

Review of Assets

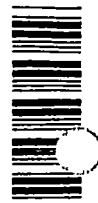
Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
FIXED INCOME SECURITIES						
U.S. GOVT AGENCIES						
100,000	FHLB 6.00% DUE 06/19/17 CALLABLE 06/12	107.594	100,000.00	107,594.00	6,000	5.58
100,000	FHLB 5.35% DUE 08/20/18 CALLABLE 08/12	107.323	100,000.00	107,323.00	5,350	4.98
200,000	FFCB 4.25% DUE 08/17/16 CALLABLE 08/11	102.473	200,000.00	204,946.00	8,500	4.15
125,000	FHLMC 3.25% 6/30/20 CALL 12/10 STEP 5% 12/13	100.473	125,000.00	125,591.25	4,063	3.23
100,000	FHLMC 4% 7/28/25 CALL 1/11 STEP 4.5% 7/20; ANN	97.585	100,000.00	97,585.00	4,000	4.10
100,000	FNMA 4% 12/30/24 CALL 12/10 STEP 7.0% 12/30/14	100.836	100,000.00	100,836.00	4,000	3.97
25,000	FNMA 4.00% 7/14/25 CALL 1/11 STEP 5% 7/15; 6% 20	98.691	25,000.00	24,672.75	1,000	4.05
200,000	FNMA 2.05% 12/29/20 CALL 11 STEP 4.375% 12	98.271	200,000.00	196,542.00	4,100	2.09
100,000	FNMA 2.0% 11/17/22 CALL 5/11 STEP 3% 12; 4% 14;	98.525	100,000.00	98,525.00	2,000	2.03
300,000	FNMA 5.00% DUE 03/08/18 CALLABLE 03/11	100.797	300,000.00	302,391.00	15,000	4.96

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For the Account of:
J TOM EADY CHARITABLE TRUST



**COMMUNITY NATIONAL
 BANK & TRUST OF TEXAS**
 P.O. Box 624
 Corsicana, Texas 75151-9004
 (903) 654-4500



Account Number: 23 00 2023 0 02
 Date: DECEMBER 31, 2010

Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
	TOTAL U.S. GOVT AGENCIES		1,350,000.00	1,366,006.00	54,013	3.95
	CORPORATE BDS & NTS					
100,000	BANK OF AMERICA CORP. 4.75% DUE 8/15/19	97.770	100,000.00	97,770.00	4,750	4.86
50,000	BANK OF AMERICA CORP 4.75% DUE 08/15/20	97.309	50,000.00	48,654.50	2,375	4.88
100,000	BANK OF AMERICA CORP 4.10% DUE 9/15/17	96.865	100,000.00	96,865.00	4,100	4.23
100,000	BARCLAYS BANK CORP 4.00% DUE 8/5/20	95.700	100,000.00	95,700.00	4,000	4.18
200,000	CATERPILLAR FINANCIAL SERV 4.75% DUE 02/17/15	109.187	198,708.93	218,374.00	9,500	4.35
100,000	CITIGROUP 6.50% DUE 01/18/11	100.204	99,636.00	100,204.00	6,500	6.49
100,000	CREDIT SUISSE FB USA 6.50% DUE 01/15/12	105.650	100,129.00	105,650.00	6,500	6.15
250,000	GE CO 5.25% DUE 12/06/17	108.009	249,736.00	270,022.50	13,125	4.86
200,000	GENERAL ELECTRIC CAPITAL CO 5.625% DUE 05/01/18	109.051	202,348.00	218,102.00	11,250	5.16
100,000	GOLDMAN SACHS GRP 5.00% DUE 12/15/22	98.324	100,000.00	98,324.00	5,000	5.09
150,000	GOLDMAN SACHS GROUP INC 5.35% DUE 01/15/2016	107.440	149,025.00	161,160.00	8,025	4.98
100,000	HOUSEHOLD FIN CORP 6.80% DUE 06/15/11	101.949	100,000.00	101,949.00	6,800	6.67
100,000	MCDONALDS 6.00% DUE 04/15/11 CALL 01	101.579	98,250.00	101,579.00	6,000	5.91
200,000	METLIFE INC 5.00% DUE 06/15/15	108.301	197,304.00	216,602.00	10,000	4.62
100,000	PRUDENTIAL FINANCIAL 5.25% DUE 05/15/15	98.231	100,000.00	98,231.00	5,250	5.34
100,000	SUN TRUST BANK 6.375% DUE 04/01/11	101.260	100,000.00	101,260.00	6,375	6.30
200,000	WELLS FARGO & CO 4.625% DUE 04/15/14	104.936	<u>199,720.00</u>	<u>209,872.00</u>	9,250	4.41
			<u>2,244,856.93</u>	<u>2,340,319.00</u>		

For the Account of:
J TOM EADY CHARITABLE TRUST



COMMUNITY NATIONAL
BANK & TRUST OF TEXAS

P.O. Box 624
Corsicana, Texas 75151-9004
(903) 654-4500



Account Number: 23 00 2023 0 02
Date: DECEMBER 31, 2010

Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
EQUITIES						
COMMON STOCK						
2,500	ABBOTT LABORATORIES	47.910	100,252.95	119,775.00	4,400	3.67
2,390	AIR PRODUCTS & CHEMICAL INC	90.950	172,353.43	217,370.50	4,684	2.16
845	BECTON DICKINSON & CO	84.520	63,356.07	71,419.40	1,386	1.94
1,550	CHEVRON CORP	91.250	64,591.41	141,437.50	4,464	3.16
1,750	CITIGROUP INC	4.730	86,470.13	8,277.50	0	0.00
565	COLGATE-PALMOLIVE CO	80.370	31,854.70	45,409.05	1,198	2.64
2,850	CORNING INC	19.320	73,615.50	55,062.00	570	1.04
1,850	EXXON MOBIL CORP	73.120	88,594.00	135,272.00	3,256	2.41
1,050	FRANKLIN RESOURCES INC	111.210	108,302.40	116,770.50	1,050	0.90

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Page 3

For the Account of:
J TOM EADY CHARITABLE TRUST

Account Number: 23 00 2023 0 02
Date: DECEMBER 31, 2010



**COMMUNITY NATIONAL
BANK & TRUST OF TEXAS**
P.O. Box 624
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(903) 654-4500



Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
2,200	GENERAL ELECTRIC COMPANY	18.290	119,693.75	40,238.00	1,232	3.06
1,900	HOME DEPOT INC	35.060	73,742.75	66,614.00	1,796	2.70
1,600	ILLINOIS TOOL WORKS INC	53.400	73,200.40	85,440.00	2,176	2.55
3,050	INTEL CORP	21.030	63,379.00	64,141.50	1,922	3.00
1,500	JOHNSON & JOHNSON	61.850	89,075.00	92,775.00	3,240	3.49
385	LOCKHEED MARTIN CORPORATION	69.910	29,786.26	26,915.35	1,155	4.29
2,000	LOWES COS INC	25.080	53,340.00	50,160.00	880	1.75
850	MCDONALDS CORP	76.760	53,500.61	65,246.00	2,074	3.18
1,435	METLIFE INC	44.440	50,362.69	63,771.40	1,062	1.67
3,900	MICROSOFT CORPORATION	27.910	108,011.33	108,849.00	2,496	2.29
1,000	PEPSICO INC	65.330	50,330.00	65,330.00	1,920	2.94
1,250	PFIZER INC	17.510	42,484.06	21,887.50	1,000	4.57
1,000	PROCTER & GAMBLE CO	64.330	41,910.00	64,330.00	1,927	3.00
12,865	S&P FIN SEL SEC SPDR F	15.950	185,639.78	205,196.75	2,007	0.98
2,330	SECTOR SPDR TR SHS BEN INT TECHNOLOGY	25.190	48,883.17	58,692.70	753	1.28
3,700	SOUTHERN CO	38.230	117,914.94	141,451.00	6,734	4.76
1,420	TARGET CORP	60.130	66,509.47	85,384.60	1,420	1.66
2,800	TEXAS INSTRUMENTS INC	32.500	66,294.36	91,000.00	1,456	1.60
550	3M CO COM	86.300	46,409.00	47,465.00	1,155	2.43
2,120	VERIZON COMMUNICATION	35.780	106,840.64	75,853.60	4,134	5.45
750	WAL MART STORES INC	53.930	40,638.75	40,447.50	908	2.24
1,200	WALGREEN COMPANY	38.960	50,196.00	46,752.00	840	1.80
1,500	WASTE MGMT INC DEL	36.870	49,337.85	55,305.00	1,890	3.42
925	WINDSTREAM CORP	13.940	9,766.52	12,894.50	925	7.17
	TOTAL COMMON STOCK		2,426,636.92	2,586,933.85	66,110	2.56

For the Account of:
J TOM EADY CHARITABLE TRUST



COMMUNITY NATIONAL
BANK & TRUST OF TEXAS
P.O. Box 624
Corsicana, Texas 75151-9004
(903) 654-4500



Account Number: 23 00 2023 0 02
Date: DECEMBER 31, 2010

Review of Assets

Shares or Par Value		Unit Market	Investment Cost Basis	Total Market Value	Est. Annual Income	Current Yield
	EXCHG TRADED FUNDS - MID CAP					
4,115	STANDARD & POORS MIDCAP 400 ETF TR SER 1	164.680	605,581.65	677,658.20	6,185	0.91
	EXCHG TRADED FUNDS - SMALL CAP					
8,571	ISHARES RUSSELL 2000 INDEX	78.240	641,682.72	670,595.04	7,662	1.14
	EXCHG TRADED FUNDS - FOREIGN					
6,459	ISHARES MSCI EAFE INDEX	58.220	438,388.33	376,042.98	9,023	2.40
	TOTAL EQUITIES		4,112,289.62	4,311,230.07	88,980	2.06

APPLICATION

J. Tom Eady Scholarship

P O Box 624, Corsicana, Texas 75151

(Student May Use Additional Sheets When Necessary)

1. Full Name: _____
(Last) (First) (M.I.)
2. Gender: _____ Male _____ Female Date of Birth: _____
3. Home Address: _____
(Street/Route and Number) (City) (State)
4. Mailing Address (If different from above): _____
5. Telephone Number: _____ 6. Cell Phone. _____
7. Name of High School Graduating From: _____
8. Father's Name: _____ 9. Phone Number: _____
10. Father's Address: _____
Street/Route and Number (City) (State)
11. Father's Place of Employment and Job Title: _____
(Give Name, Address and Phone Number of Employer, Length of Employment, Salary)

12. Mother's Name: _____ 13. Phone Number. _____
14. Mother's Address: _____
Street/Route and Number (City) (State)
15. Mother's Place of Employment and Job Title: _____
(Give Name, Address and Phone Number of Employer, Length of Employment, Salary)

16. List brothers and sisters and their ages:

17. Are any of your brothers or sisters currently attending college or technical school? If yes, give their name, college name and how their education is being paid for.

18. List extra-curricular activities including leadership positions, awards and achievements in high school.

19. List College, University or other schools to which you have been accepted **List in order of your preference.**

20. What course of study do you now plan to pursue? _____

21. How many years are you required to complete? _____

22. List jobs or volunteer/community service for the last three years.

(Give Name, Address and Phone Number of Employer, Length of Employment, Salary, Hours per week)

23. Have you saved any money for use toward your college education; if so, how much?

How do you plan to provide for the additional funds required for your education that are not covered with this grant? _____

24. Have you applied for any other scholarships? If yes, please list them _____

25. Have you received any scholarships? If yes, please list them _____

26. Do you have income from other sources? _____ If yes, list source and amount. _____

Is anyone dependent on you for support? _____

27. Do you own a car or have one that you use regularly for going to and from school? _____
If yes, give year, make, model and ownership: _____

28. If you are from divorced parents, do you receive any support from either? _____
If yes, list amount: _____

29. Is any financial assistance for college available from other sources such as grandparents, parent's employers, Social Security or Veteran Administration? If yes, please list source and amount available. _____

30. Have you taken any college courses while in high school? _____ If yes, please attach a copy of your transcript.

- 31 Attach a **certified** copy of your high school transcript, including GPA, class rank and citizenship grades.
32. Attach a copy of your SAT or ACT test results. (We **will not** accept your application without SAT or ACT).
33. Attach a copy of your Student Aid Report (SAR). (We **will not** accept your application without the SAR).
- 34 Attach your 500 words or less written essay on one of the following topics:

"What I Hope To Get Out Of Life Through College" or "Why I want to Pursue The Occupation I Have Chosen" or "How I Have Overcome Adversity or Obstacles."

- 35 Attach a **COMPLETE, SIGNED** copy of **both** parents' and/or stepparents' previous year and current year tax returns. This includes tax returns for both sets of parents, if divorced.

* Parents As you know, the Trustee is charged with the responsibility of selecting the recipients of the Eady Scholarships. It is not our desire to ask embarrassing questions or to have it appear that we wish to unduly pry into your business. The information requested below is essential to making the selection to the best of our ability and to meeting the requirements of the Trust Agreement creating this scholarship fund. You may be assured that we will hold this information in a strictly confidential manner. Incomplete applications will not be considered.

36. Attach a **SIGNED** copy of **YOUR** previous year and current year tax returns, if any were filed.

Parents, please complete accurately. Use supplemental sheets, if necessary.					
ASSETS			LIABILITIES		
Cash on Hand & in Banks	\$		Notes Payable to Banks	\$	
Savings Accounts in Banks			(Describe below - Section 2)		
U. S. Government Bonds			Notes Payable to Others		
Accounts & Notes Receivable			(Describe below - Section 2)		
Life Insurance - Cash Value Only			Installment Account (Auto)		
Other Stocks & Bonds			Monthly Payments		
(Describe below-Section 3)			Installment Account (Other)		
Real Estate			Monthly Payments		
(Describe below-Section 4)			Loans on Life Insurance		
Automobile - Present Value			Mortgages on Real Estate		
Other Personal Property			(Describe below - Section 4)		
Other Assets					
Total Assets	\$		Total Liabilities	\$	
\$ _____		- \$ _____		= \$ _____	
	Total Assets		Total Liabilities		Net Worth
Total Liabilities subtracted from Total Assets equals Your Net Worth.					

Section 1: Source of Income: Describe below all items listed in this section.

Salary	\$		Real Estate Income	\$	
Net Investment Income			Other Income *(Describe)		

Section 2: Notes Payable to Banks and Others

Name & Address of Note Holder	Amount of Loan		Terms of Repayment	Maturity of Loan	How Endorsed, Guaranteed or Secured
	Original Bal.	Present Bal			

Section 3: Other Stocks and Bonds: Give listed and unlisted Stocks and Bonds (Use separate sheet if necessary)

Number of Shares	Name of Securities	Cost	Market Value Statement Date	
			Quotation	Amount

Section 4: Real Estate Owned: (List each parcel separately)

Title is in the name of.	Type of Property:	
Address of property (City and State).	Original Cost to (me)(us)	\$
	Date Purchased	
	Present Market Value	\$
Name and Address of Holder of Mortgage (City and State):	Date of Mortgage	
	Original Amount	\$
	Balance	\$
	Maturity	
	Terms of Payment	

Signatures: _____
 Parent

Parent

Student

INFORMATION SHEET

J. Tom Eady Scholarship

Community National Bank & Trust
P.O. Box 624
Corsicana, Texas 75151
903-654-4528

John Thomas Eady was born February 28, 1906 in Bazette, TX to James and Hennrietta Eady. He was member of the First United Methodist Church in Corsicana.

Mr. Eady was a graduate of Texas School of Mines and Metallurgy (presently University of Texas at El Paso) and Tyler Business School. He was a member of the Board of Trustees of Navarro College from 1952-1971, serving as Secretary, Vice-Chairman and Chairman of the Board. He served as City Commissioner and then Mayor of Corsicana from 1957-1959. He served on the board of trustees of the Navarro Community Foundation from 1981-1996. He was a long time supporter of the YMCA having lived at the YMCA for many years at El Paso and Corsicana. He was elected to the YMCA board in 1941, president of the YMCA 1944-1946 and continued to serve on the board until 1978.

During his lifetime, Mr. Eady devoted much of his time and money to promote the religious and charitable organizations of Corsicana and Navarro County, Texas. Among his favorite religious and charitable organizations were the First United Methodist Church of Corsicana, the United Way of Corsicana and the YMCA of Corsicana. He also found great pleasure in helping worthy students pay for college. For this reason, Community National Bank and Trust as Trustee of the J. Tom Eady Charitable Trust, established scholarships in Mr. Eady's name.

PURPOSE:

The purpose of the J. Tom Eady Scholarship is to provide grants to selected students to help cover the cost of education beyond high school. Scholarship recipients are selected by a Scholarship Committee. The decisions of the committee are final and it will make no explanations of its decisions. Emphasis will be placed on academic performance, standardized test scores, financial need, leadership and extracurricular activities.

WHO MAY APPLY?

Any current year graduate of Navarro County, Texas high school who has been accepted to attend an accredited college, university, or technical college, and who can demonstrate to the Selection Committee good character and academic skills adequate for continuing his/her education. Applicants should have an SAT (math and reading portions only) minimum total score of 1000 or ACT minimum total score of 21.

HOW MANY SCHOLARSHIPS ARE AVAILABLE AND WHAT IS THEIR VALUE?

Five new \$5,000 scholarships will be awarded for the current academic year. The number of scholarships will vary from year to year.

WHAT DOES THE SCHOLARSHIP COVER?

The grant will cover tuition, fees, required text books, supplies and enrollment expenses not paid for by other financial aid resources.

DOES THE SCHOLARSHIP COVER STUDENT HOUSING OR OFF-CAMPUS LIVING?

Yes. If the student desires to live off-campus, the scholarship will cover room and board expenses such as rent, utilities, etc.

WHAT EXPENSE DOES THE SCHOLARSHIP NOT PAY FOR?

The J. Tom Eady Scholarship does not pay for (1) outside courses or tests; (2) tuition, fees and books to repeat a course previously paid for by the J. Tom Eady Scholarship that the student has failed or withdrawn from; (3) parking, transportation, extra curricular fees, year books, sport passes, medical fees or any other personal expenses.

WHAT IS THE TERM OF THE SCHOLARSHIP?

The J Tom Eady Scholarship is a one semester \$2,500 scholarship, which can be renewed for a total of eight consecutive semesters. The grants will be reviewed each semester to verify that the recipient has fulfilled the requirements of the scholarships.

CAN THE SCHOLARSHIP BE DEFERRED FOR GRADUATE COURSES?

Yes. The scholarship is for eight consecutive semesters and can include both undergraduate courses and graduate courses. If a student chooses to attend Navarro College at his/her own expense for the first four semesters as a full time student and maintains a 2.5 GPA, his/her scholarship with the J Tom Eady Scholarship may be deferred for two years. The student must submit a copy of his/her transcript within twenty days after the end of each semester.

DOES THE SCHOLARSHIP PAY FOR SUMMER SCHOOL?

Yes. If a student attends both Summer 1 and Summer 2 sessions and is enrolled in 12 or more hours. These two summer sessions will count as one of the four consecutive semesters.

WHAT SCHOOLS MAY THE RECIPIENT ATTEND?

Any accredited college, university or technical college as approved by the Scholarship Committee in its sole discretion.

WHAT IS REQUIRED TO MAINTAIN THE SCHOLARSHIP?

The undergraduate student will be required to maintain full time status (12 or more semester hours) with a 2.5 or better grade point average on a 4-point system.

The graduate student will be required to maintain full time status with a 3.0 or better grade point average on a 4-point system.

If the student takes a class that does not receive a grade point, those hours will be included in the full time status (12 or more semester hours) requirement.

The student will be required to notify the Committee in writing prior to a transfer to another school.

The student will be required to notify the Committee in writing of any change of address.

The student will be required to submit an official grade report in writing to the J. Tom Eady Scholarship Trust within twenty days after the semester ends. If grades are not submitted, the Trust will not be obligated to pay for the next semester.

Once a J Tom Eady Scholarship is commenced and a student does not attend one regular semester as a full time student, the scholarship may be terminated in the sole discretion of the Trustee.

WHAT IF THE STUDENT'S OVERALL GRADE POINT AVERAGE FALLS BELOW THE GPA REQUIREMENT?

If the student's GPA falls below the grade requirement, the student will be granted a one time probation period. The probation period will be the following semester taken at the student's own expense. If the student's overall GPA falls below the grade requirement after a Fall semester he/she will have the following Spring semester, at his/her own expense to bring up his/her overall GPA. If the student's overall GPA falls below the grade requirement after a Spring semester the student has the following summer session or the following Fall semester, at his/her own expense to bring up his/her overall GPA. To be reinstated for the next semester the student must submit his/her official grade report to the Trust prior to registration for the following semester. The semester attended to raise the student's overall GPA will not be counted as one of the four consecutive semesters the Trust pays for.

WHAT ABOUT OTHER SOURCES OF FINANCIAL AID?

THE TRUST MUST BE INFORMED IMMEDIATELY IF ANY ADDITIONAL GRANTS OR SCHOLARSHIPS ARE RECEIVED. Receipt of any other scholarship may effect the eligibility to receive the J Tom Eady Scholarship. Failure to do so could result in the termination of this scholarship.

CONTACTS AT COMMUNITY NATIONAL BANK & TRUST:

Les Leskoven, 903-654-4528, lleskoven@cbhot.com
Janet Coble, 903-654-4526, jcoble@cbhot.com