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

2010

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: NICHOLS FOUNDATION, INC

A Employer identification number: 76-0603435

Number and street (or P O box number if mail is not delivered to street address): 9700 RICHMOND AVE., STE. 255 | Room/suite

B Telephone number: 713-278-7477

City or town, state, and ZIP code: HOUSTON, TX 77042

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 ▶ [ ]

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 285,059.

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

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

Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

		(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	2,500.		N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	5.	5.		STATEMENT 1
	4 Dividends and interest from securities	6,322.	6,322.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<3,309.>			
	b Gross sales price for all assets on line 6a 49,014.				
	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	181.	11.		STATEMENT 3
	12 **Total.** Add lines 1 through 11	5,699.	6,338.		
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 4	2,450.	2,450.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 5	275.	180.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	603.	603.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	3,328.	3,233.		0.
	25 Contributions, gifts, grants paid	10,000.			10,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	13,328.	3,233.		10,000.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	<7,629.>			
	b **Net investment income** (if negative, enter -0-)		3,105.		
	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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	2.	3.	3.
	2 Savings and temporary cash investments	2,293.	4,938.	4,938.
	3 Accounts receivable ▶ 421.			
	Less allowance for doubtful accounts ▶	41.	421.	421.
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations			
	b Investments - corporate stock STMT 7	293,095.	282,720.	282,720.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	<3,193.>	<3,023.>	<3,023.>
	14 Land, buildings, and equipment basis ▶ 3,408.			
	Less accumulated depreciation STMT 9 ▶ 3,408.			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	292,238.	285,059.	285,059.
Liabilities	17 Accounts payable and accrued expenses	1,550.	2,000.	
	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)	1,550.	2,000.	
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	290,688.	283,059.	
	30 **Total net assets or fund balances**	290,688.	283,059.	
	31 **Total liabilities and net assets/fund balances**	292,238.	285,059.	

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	290,688.
2	Enter amount from Part I, line 27a	2	<7,629.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	283,059.
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	283,059.

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	BERNSTEIN SCH ATTACHED	P	01/01/99	12/31/10
b	BERNSTEIN SCH ATTACHED	P	01/01/10	12/31/10
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	27,904.		31,189.	<3,285.>
b	21,110.		21,134.	<24.>
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				<3,285.>
b				<24.>
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** <3,309.>

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))
2009	17,500.	196,176.	.089206
2008	17,500.	262,115.	.066765
2007	22,500.	315,116.	.071402
2006	35,914.	237,268.	.151365
2005	10,250.	121,621.	.084278

2	Total of line 1, column (d)	2	.463016
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	.092603
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	217,872.
5	Multiply line 4 by line 3	5	20,176.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	31.
7	Add lines 5 and 6	7	20,207.
8	Enter qualifying distributions from Part XII, line 4	8	10,000.

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	62.
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	62.
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	62.
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 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	62.
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** ▶ 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)?	1b		X
	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.*			
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) ▶ 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*	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 2010 or the taxable year beginning in 2010 (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 ▶ REBECCA U. NICHOLS Telephone no. ▶ 713-278-7477

Located at ▶ 9700 RICHMOND AVE., HOUSTON, TX ZIP+4 ▶ 77042

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

			Yes	No
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?	16		X
	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 ▶			

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 22 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 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? ☐ 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 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

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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
REBECCA U. NICHOLS 9700 RICHMOND AVE., STE. 255 HOUSTON, TX 77042	PRESIDENT 0.00	0.	0.	0.
W. S. NICHOLS, III 9700 RICHMOND AVE., STE. 255 HOUSTON, TX 77042	VICE-PRESIDENT 0.00	0.	0.	0.
MICHAEL W. NICHOLS 9700 RICHMOND AVE., STE. 255 HOUSTON, TX 77042	SECRETARY-TREASURER 0.00	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.

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	222,655.
b	Average of monthly cash balances	1b	1,643.
c	Fair market value of all other assets	1c	<3,108.>
d	Total (add lines 1a, b, and c)	1d	221,190.
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	221,190.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	3,318.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	217,872.
6	**Minimum investment return.** Enter 5% of line 5	6	10,894.

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	10,894.
2a	Tax on investment income for 2010 from Part VI, line 5 — 2a: 62.		
b	Income tax for 2010. (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	62.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	10,832.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	10,832.
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	10,832.

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	10,000.
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	10,000.
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	10,000.

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7					10,832.
2 Undistributed income, if any, as of the end of 2010					
a Enter amount for 2009 only				0.	
b Total for prior years ______ , ______ , ______			0.		
3 Excess distributions carryover, if any, to 2010					
a From 2005	10,250.				
b From 2006	24,223.				
c From 2007	7,252.				
d From 2008	4,472.				
e From 2009	7,786.				
f Total of lines 3a through e		53,983.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 10,000.					
a Applied to 2009, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required - see instructions)			0.		
c Treated as distributions out of corpus (Election required - see instructions)		0.			
d Applied to 2010 distributable amount					10,000.
e Remaining amount distributed out of corpus		0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))		832.			832.
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		53,151.			
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 2009 Subtract line 4a from line 2a Taxable amount - see instr				0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)		0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7		9,418.			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a		43,733.			
10 Analysis of line 9					
a Excess from 2006	24,223.				
b Excess from 2007	7,252.				
c Excess from 2008	4,472.				
d Excess from 2009	7,786.				
e Excess from 2010					

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 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	Prior 3 years			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(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))

W. S. NICHOLS, III

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

SEE STATEMENT 10

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
LESLIE MACGINNIS 5020 SAM HOUSTON AVE., APT 311 HUNTSVILLE, TX 77340	NONE	N/A	SCHOLARSHIP	2,500.
RACHEL GORE 1012 NELLIUS WOODVILLE, TX 75979	NONE	N/A	SCHOLARSHIP	2,500.
TY CAUTHEN P.O. BOX 445 WARREN, TX 77664	NONE	N/A	SCHOLARSHIP	2,500.
BRETT AULBAUGH PO BOX 327 SPURGER, TX 77660	NONE	N/A	SCHOLARSHIP	2,500.
Total			▶ 3a	10,000.
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) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a	531390	170.			
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	5.	
4 Dividends and interest from securities			14	6,322.	
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			14	11.	
8 Gain or (loss) from sales of assets other than inventory			18	<3,309.>	
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)		170.		3,029.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 3,199.

(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

William J Nichols 10-12-11 OFFICER

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
WADE F. SEIDEL	WADE F. SEIDEL	09/27/11		

Firm's name ▶ SEIDEL, SCHROEDER & COMPANY | Firm's EIN ▶

Firm's address ▶ 304 E. BLUE BELL ROAD
BRENHAM, TX 77833 | Phone no (979)836-6131

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

2010

Name of the organization	**Employer identification number**
NICHOLS FOUNDATION, INC	76-0603435

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	Employer identification number
NICHOLS FOUNDATION, INC	76-0603435

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	PAUL MICHAEL BOWDOIN 4411 BROADLEAF ST. KINGWOOD, TX 77345	$ 2,500.	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.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
NICHOLS FOUNDATION, INC	76-0603435

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization	Employer identification number
NICHOLS FOUNDATION, INC	76-0603435

Part III **Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once. See instructions) ▶ $

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Depreciation and Amortization Detail FORM 990-PF PAGE 1 990-PF

Asset Number	Description of property / Date placed in service	Method/ IRC sec	Life or rate	Line No	Cost or other basis	Basis reduction	Accumulated depreciation/amortization	Current year deduction
1	ORGANIZATION COSTS							
	031599		60M	43	3,408.		3,408.	0.
	* TOTAL 990-PF PG 1 DEPR & AMORT							
					3,408.	0.	3,408.	0.

016261 05-01-10

- Current year section 179 (D) - Asset disposed

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
ALLEGIANCE BANK TEXAS	4.
BERNSTEIN	1.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	5.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BERNSTEIN	6,322.	0.	6,322.
TOTAL TO FM 990-PF, PART I, LN 4	6,322.	0.	6,322.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
BERNSTEIN	11.	11.	
	170.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	181.	11.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SEIDEL, SCHROEDER & CO. LLP	2,450.	2,450.		0.
TO FORM 990-PF, PG 1, LN 16B	2,450.	2,450.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	180.	180.		0.
FEDERAL	95.	0.		0.
TO FORM 990-PF, PG 1, LN 18	275.	180.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGE	12.	12.		0.
MANAGEMENT FEE	591.	591.		0.
TO FORM 990-PF, PG 1, LN 23	603.	603.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
AIG SUNAMERICA SECURITIES	282,720.	282,720.
TOTAL TO FORM 990-PF, PART II, LINE 10B	282,720.	282,720.

FORM 990-PF OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SUNCOR OF TEXAS NPG IV, L.P.	COST	<3,023.>	<3,023.>
TOTAL TO FORM 990-PF, PART II, LINE 13		<3,023.>	<3,023.>

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 9

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
ORGANIZATION COSTS	3,408.	3,408.	0.
TOTAL TO FM 990-PF, PART II, LN 14	3,408.	3,408.	0.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 10
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

REBECCA U. NICHOLS
9700 RICHMOND AVE. STE 255
HOUSTON, TX 77042

TELEPHONE NUMBER

713-278-7477

FORM AND CONTENT OF APPLICATIONS

FOR OTHER SECTION 501(C)(3) ORGANIZATIONS, NO SPECIFIC FORM. FOR INDIVIDUALS REQUESTING FINANCIAL ASSISTANCE OR A SCHOLARSHIP, THE FOUNDATION HAS A PREPRINTED FORM THAT THE APPLICANT MUST COMPLETE

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

NONE

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
SHORT-TERM								
09/14/2009	01/07/2010	7	QUANTA SERVICES INC	21.99	24.83	153.95	173.78	-19.83
06/29/2009	01/15/2010	6	OCCIDENTAL PETROLEUM CORP	78.89	66.16	473.33	396.99	76.34
08/17/2009	01/15/2010	3	OCCIDENTAL PETROLEUM CORP	78.89	68.01	236.67	204.02	32.65
10/22/2009	01/26/2010	4	***INGERSOLL-RAND PLC	34.93	34.92	139.70	139.70	0.00
09/14/2009	01/26/2010	4	UNITED PARCEL SERVICE-CL B	58.30	58.99	233.19	235.97	-2.78
10/22/2009	01/29/2010	3	***INGERSOLL-RAND PLC	33.17	34.92	99.51	104.77	-5.26
05/14/2009	01/29/2010	5	LOWE'S COS INC	21.93	19.02	109.66	95.11	14.55
08/24/2009	01/29/2010	3	OCCIDENTAL PETROLEUM CORP	78.73	75.46	236.20	226.38	9.82
11/27/2009	01/29/2010	2	UNITED PARCEL SERVICE-CL B	58.31	57.38	116.61	114.77	1.84
07/23/2009	02/04/2010	1	FEDEX CORP	79.54	64.27	79.54	64.27	15.27
11/25/2009	02/04/2010	2	FEDEX CORP	79.54	82.82	159.08	165.64	-6.56
08/24/2009	02/04/2010	2	OCCIDENTAL PETROLEUM CORP	76.98	75.46	153.96	150.92	3.04
10/22/2009	02/05/2010	1	***INGERSOLL-RAND PLC	32.06	34.92	32.06	34.92	-2.86
11/16/2009	02/05/2010	3	***INGERSOLL-RAND PLC	32.06	37.19	96.17	111.57	-15.40
11/25/2009	02/05/2010	5	***VALE SA-SP ADR	24.50	29.54	122.51	147.71	-25.20
11/25/2009	02/18/2010	4	***VALE SA-SP ADR	28.31	29.54	113.22	118.17	-4.95
11/30/2009	02/18/2010	1	***VALE SA-SP ADR	28.31	28.89	28.31	28.89	-0.58
06/01/2009	02/19/2010	2	AIR PRODUCTS & CHEMICALS INC	69.66	67.96	139.33	135.92	3.41
05/14/2009	02/23/2010	2	FREEPORT-MCMORAN COPPER	73.73	46.01	147.46	92.02	55.44
06/01/2009	03/01/2010	2	AIR PRODUCTS & CHEMICALS INC	68.84	67.96	137.68	135.92	1.76
10/20/2009	03/01/2010	2	AIR PRODUCTS & CHEMICALS INC	68.84	82.67	137.67	165.34	-27.67
11/12/2009	03/18/2010	5	***ANHEUSER-BUSH INBEV SPN ADR	51.66	48.13	258.32	240.63	17.69
10/16/2009	03/19/2010	5	PRINCIPAL FINANCIAL GROUP	27.66	28.74	138.28	143.70	-5.42
08/06/2009	04/01/2010	3	FREEPORT-MCMORAN COPPER	86.02	64.18	258.07	192.55	65.52
11/30/2009	04/06/2010	4	***VALE SA-SP ADR	33.05	28.88	132.21	115.54	16.67
11/12/2009	04/08/2010	2	AIR PRODUCTS & CHEMICALS INC	73.95	82.61	147.90	165.23	-17.33
12/09/2009	04/08/2010	2	AIR PRODUCTS & CHEMICALS INC	73.95	81.09	147.89	162.19	-14.30
08/06/2009	04/09/2010	3	FREEPORT-MCMORAN COPPER	85.16	64.18	255.49	192.54	62.95
04/20/2009	04/09/2010	1	TARGET CORP	55.80	39.64	55.80	39.64	16.16
05/13/2009	04/09/2010	3	TARGET CORP	55.80	40.52	167.41	121.55	45.86
09/04/2009	04/20/2010	8	BANK OF AMERICA CORP	18.52	17.04	148.18	136.30	11.88
12/09/2009	04/20/2010	10	BANK OF AMERICA CORP	18.52	15.46	185.23	154.56	30.67
05/11/2009	04/21/2010	11	***CREDIT SUISSE GROUP-SPON AD	50.76	41.04	558.35	451.42	106.93
09/04/2009	04/21/2010	5	***CREDIT SUISSE GROUP-SPON AD	50.76	49.28	253.79	246.42	7.37
12/09/2009	04/28/2010	3	BANK OF AMERICA CORP	17.62	15.46	52.85	46.37	6.48
12/22/2009	04/28/2010	14	BANK OF AMERICA CORP	17.62	15.37	246.66	215.18	31.48
03/23/2010	04/28/2010	3	BANK OF AMERICA CORP	17.62	17.08	52.85	51.23	1.62
03/23/2010	04/29/2010	7	BANK OF AMERICA CORP	18.14	17.07	126.97	119.52	7.45
05/14/2009	04/29/2010	3	VISA INC - CLASS A SHRS	93.23	64.07	279.70	192.20	87.50
12/17/2009	04/30/2010	6	BAXTER INTERNATIONAL INC	47.87	58.13	287.19	348.81	-61.62
01/08/2010	04/30/2010	1	BAXTER INTERNATIONAL INC	47.87	59.06	47.86	59.06	-11.20
05/14/2009	04/30/2010	4	GOLDMAN SACHS GROUP INC	145.85	131.42	583.39	525.69	57.70
06/01/2009	04/30/2010	1	GOLDMAN SACHS GROUP INC	145.85	146.92	145.85	146.92	-1.07
10/09/2009	04/30/2010	1	GOLDMAN SACHS GROUP INC	145.85	188.34	145.85	188.34	-42.49
10/22/2009	04/30/2010	1	GOLDMAN SACHS GROUP INC	145.85	182.15	145.85	182.15	-36.30
12/09/2009	04/30/2010	1	GOLDMAN SACHS GROUP INC	145.85	163.80	145.85	163.80	-17.95

Capital Gains Report

NICHOLS FOUNDATION INC. (Account: 038-62350) January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
01/12/2010	04/30/2010	1	GOLDMAN SACHS GROUP INC	145.85	168.47	145.84	168.47	-22.63
11/24/2009	05/03/2010	10	QUANTA SERVICES INC	20.08	19.29	200.83	192.88	7.95
10/12/2009	05/05/2010	7	***SUNCOR ENERGY INC	32.03	37.25	224.25	260.73	-36.48
10/20/2009	05/05/2010	1	***SUNCOR ENERGY INC	32.03	37.92	32.03	37.92	-5.89
01/08/2010	05/07/2010	1	BAXTER INTERNATIONAL INC	45.05	59.05	45.05	59.05	-14.00
01/27/2010	05/07/2010	2	BAXTER INTERNATIONAL INC	45.05	58.23	90.09	116.47	-26.38
06/02/2009	05/10/2010	2	***ARCELORMITTAL-NY REGISTERED	36.95	36.36	73.90	72.73	1.17
06/11/2009	05/10/2010	3	***ARCELORMITTAL-NY REGISTERED	36.95	36.11	110.86	108.33	2.53
10/16/2009	05/12/2010	4	PRINCIPAL FINANCIAL GROUP	30.14	28.74	120.55	114.96	5.59
10/26/2009	05/12/2010	4	PRINCIPAL FINANCIAL GROUP	30.14	27.61	120.54	110.46	10.08
03/16/2010	05/21/2010	2	***RESEARCH IN MOTION	60.43	74.89	120.85	149.78	-28.93
03/16/2010	05/26/2010	2	***RESEARCH IN MOTION	60.39	74.88	120.77	149.77	-29.00
08/03/2009	06/08/2010	3	FRANKLIN RESOURCES INC	89.03	90.32	267.08	270.95	-3.87
03/29/2010	06/09/2010	6	CVS/CAREMARK CORP	30.91	36.99	185.47	221.92	-36.45
08/04/2009	06/17/2010	5	***ARCELORMITTAL-NY REGISTERED	30.40	37.80	151.99	189.02	-37.03
01/21/2010	06/18/2010	4	DOVER CORP	45.69	45.01	182.77	180.05	2.72
10/07/2009	06/21/2010	2	FREEPORT-MCMORAN COPPER	69.26	70.87	138.52	141.74	-3.22
10/28/2009	06/23/2010	8	MICROSOFT CORP	25.39	28.17	203.08	225.40	-22.32
01/20/2010	06/23/2010	4	NOBLE ENERGY INC	62.46	77.55	249.86	310.19	-60.33
08/04/2009	06/24/2010	4	***ARCELORMITTAL-NY REGISTERED	30.11	37.80	120.45	151.22	-30.77
11/10/2009	06/24/2010	4	BROADCOM CORP-CL A	34.74	28.48	138.98	113.94	25.04
10/07/2009	06/24/2010	2	FREEPORT-MCMORAN COPPER	64.07	70.86	128.13	141.73	-13.60
08/06/2009	06/24/2010	5	JOHNSON CONTROLS INC	27.88	26.31	139.38	131.56	7.82
08/14/2009	06/24/2010	2	JOHNSON CONTROLS INC	27.88	26.03	55.75	52.06	3.69
09/17/2009	07/12/2010	6	KLA-TENCOR CORPORATION	29.50	34.98	177.02	209.86	-32.84
07/20/2009	07/15/2010	10	INTEL CORP	21.30	18.66	212.99	186.58	26.41
10/28/2009	07/20/2010	1	MICROSOFT CORP	24.91	28.17	24.91	28.17	-3.26
11/10/2009	07/20/2010	8	MICROSOFT CORP	24.91	29.02	199.30	232.20	-32.90
11/12/2009	07/20/2010	3	MICROSOFT CORP	24.91	29.36	74.74	88.07	-13.33
10/23/2009	08/02/2010	1	FRANKLIN RESOURCES INC	103.82	113.06	103.82	113.06	-9.24
10/26/2009	08/02/2010	1	FRANKLIN RESOURCES INC	103.82	115.06	103.82	115.06	-11.24
12/17/2009	08/05/2010	15	COMCAST CORP-CL A	19.00	17.12	285.04	256.78	28.26
11/12/2009	08/05/2010	2	MICROSOFT CORP	25.27	29.36	50.55	58.72	-8.17
01/06/2010	08/05/2010	3	MICROSOFT CORP	25.27	30.65	75.82	91.96	-16.14
03/29/2010	08/06/2010	1	CVS/CAREMARK CORP	29.63	36.99	29.63	36.99	-7.36
04/22/2010	08/06/2010	5	CVS/CAREMARK CORP	29.63	36.89	148.13	184.44	-36.31
12/04/2009	08/13/2010	6	***COVIDIEN PLC	38.08	47.49	228.47	284.94	-56.47
01/06/2010	08/17/2010	4	MICROSOFT CORP	24.81	30.65	99.25	122.62	-23.37
04/15/2010	08/20/2010	11	WELLS FARGO & COMPANY	24.45	33.57	268.96	369.26	-100.30
05/07/2010	08/30/2010	2	VISA INC - CLASS A SHRS	70.11	83.15	140.23	166.31	-26.08
10/26/2009	09/02/2010	1	FRANKLIN RESOURCES INC	100.81	115.06	100.81	115.06	-14.25
11/05/2009	09/02/2010	1	FRANKLIN RESOURCES INC	100.81	109.83	100.81	109.83	-9.02
04/19/2010	09/09/2010	4	WELLS FARGO & COMPANY	25.73	32.57	102.92	130.29	-27.37
04/19/2010	09/13/2010	4	WELLS FARGO & COMPANY	26.37	32.57	105.48	130.28	-24.80
04/21/2010	09/13/2010	6	WELLS FARGO & COMPANY	26.37	33.17	158.23	199.05	-40.82
04/22/2010	09/13/2010	1	WELLS FARGO & COMPANY	26.37	33.50	26.37	33.50	-7.13
12/23/2009	09/15/2010	6	COMCAST CORP-CL A	17.95	17.02	107.71	102.11	5.60
05/20/2010	09/15/2010	7	HYATT HOTELS CORP - CL A	38.61	37.35	270.28	261.43	8.85
04/22/2010	09/17/2010	5	WELLS FARGO & COMPANY	25.94	33.50	129.69	167.50	-37.81

NICHOLS FOUNDATION INC. (Account: 038-62350) January 1, 2010 through December 31; 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
05/07/2010	09/22/2010	1	VISA INC - CLASS A SHRS	70.20	83.15	70.20	83.15	-12.95
05/17/2010	09/22/2010	2	VISA INC - CLASS A SHRS	70.20	75.55	140.39	151.10	-10.71
12/23/2009	09/27/2010	4	COMCAST CORP-CL A	18.36	17.02	73.45	68.08	5.37
04/22/2010	09/27/2010	5	COMCAST CORP-CL A	18.36	18.73	91.81	93.67	-1.86
11/05/2009	10/01/2010	1	FRANKLIN RESOURCES INC	107.25	109.83	107.25	109.83	-2.58
10/13/2009	10/01/2010	2	TARGET CORP	53.46	50.59	106.92	101.18	5.74
06/09/2010	10/01/2010	2	VISA INC - CLASS A SHRS	73.39	74.96	146.79	149.93	-3.14
10/13/2009	10/08/2010	3	TARGET CORP	54.20	50.59	162.60	151.78	10.82
01/21/2010	10/11/2010	2	DOVER CORP	54.10	45.01	108.21	90.03	18.18
02/22/2010	10/11/2010	1	DOVER CORP	54.10	45.97	54.10	45.97	8.13
08/24/2010	10/14/2010	7	JUNIPER NETWORKS INC	31.64	27.04	221.49	189.28	32.21
02/02/2010	10/15/2010	15	FORD MOTOR CO	13.73	11.32	205.92	169.74	36.18
04/22/2010	10/18/2010	5	WELLS FARGO & COMPANY	24.12	33.50	120.59	167.49	-46.90
02/22/2010	10/19/2010	5	DOVER CORP	52.74	45.97	263.68	229.83	33.85
02/23/2010	10/19/2010	3	DOVER CORP	52.74	44.96	158.21	134.88	23.33
04/22/2010	10/21/2010	5	COMCAST CORP-CL A	19.61	18.73	98.06	93.66	4.40
05/03/2010	10/21/2010	4	COMCAST CORP-CL A	19.61	20.40	78.45	81.61	-3.16
05/03/2010	10/25/2010	3	FEDEX CORP	89.58	91.92	268.73	275.76	-7.03
04/29/2010	10/27/2010	3	HEWLETT-PACKARD CO	42.09	52.84	126.26	158.52	-32.26
11/19/2009	10/28/2010	2	TARGET CORP	52.33	47.58	104.65	95.16	9.49
05/03/2010	10/29/2010	8	COMCAST CORP-CL A	20.64	20.40	165.14	163.22	1.92
12/23/2009	11/01/2010	3	***COVIDIEN PLC	39.63	48.28	118.88	144.83	-25.95
01/19/2010	11/01/2010	2	***COVIDIEN PLC	39.63	48.98	79.25	97.96	-18.71
03/24/2010	11/01/2010	4	KLA-TENCOR CORPORATION	35.62	30.88	142.49	123.50	18.99
06/22/2010	11/09/2010	3	POLO RALPH LAUREN CORP	100.97	79.46	302.91	238.39	64.52
02/02/2010	11/11/2010	11	FORD MOTOR CO	16.39	11.32	180.27	124.48	55.79
02/23/2010	11/15/2010	1	DOVER CORP	55.08	44.96	55.09	44.96	10.13
04/26/2010	11/15/2010	3	DOVER CORP	55.08	53.72	165.25	161.16	4.09
05/03/2010	11/17/2010	7	COMCAST CORP-CL A	20.40	20.40	142.81	142.82	-0.01
11/19/2009	11/19/2010	1	TARGET CORP	55.33	47.58	55.34	47.58	7.76
01/12/2010	11/19/2010	1	TARGET CORP	55.33	49.13	55.33	49.13	6.20
02/25/2010	12/09/2010	5	ILLINOIS TOOL WORKS	50.49	44.93	252.43	224.65	27.78
05/03/2010	12/10/2010	1	COMCAST CORP-CL A	21.25	20.40	21.25	20.40	0.85
05/10/2010	12/10/2010	5	COMCAST CORP-CL A	21.25	18.19	106.26	90.95	15.31
04/12/2010	12/10/2010	1	VERTEX PHARMACEUTICALS INC	34.21	39.24	34.21	39.24	-5.03
07/22/2010	12/14/2010	2	FREEPORT-MCMORAN COPPER	115.29	69.21	230.57	138.42	92.15
04/29/2010	12/14/2010	2	HEWLETT-PACKARD CO	41.57	52.84	83.14	105.68	-22.54
05/17/2010	12/14/2010	5	HEWLETT-PACKARD CO	41.57	47.16	207.84	235.82	-27.98
08/24/2010	12/14/2010	4	JUNIPER NETWORKS INC	35.92	27.04	143.69	108.16	35.53
04/19/2010	12/14/2010	9	LOWE'S COS INC	25.10	26.22	225.90	235.94	-10.04
01/20/2010	12/14/2010	2	NOBLE ENERGY INC	82.06	77.55	164.12	155.10	9.02
06/22/2010	12/14/2010	15	NEWS CORP	14.40	13.67	216.03	205.10	10.93
01/19/2010	12/15/2010	1	***COVIDIEN PLC	45.32	48.98	45.32	48.98	-3.66
01/27/2010	12/15/2010	3	***COVIDIEN PLC	45.32	50.75	135.97	152.25	-16.28
04/05/2010	12/21/2010	3	***COVIDIEN PLC	45.67	50.66	137.00	151.97	-14.97
03/19/2010	12/30/2010	2	PEPSICO INC	65.22	66.57	130.43	133.15	-2.72
SUBTOTAL FOR SHORT-TERM						21,110.28	21,134.21	-23.93

Capital Gains Report

NICHOLS FOUNDATION INC. (Account: 038-62350) January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
LONG-TERM								
09/04/2008	01/04/2010	15	INTEL CORP	20.87	21.22	313.11	318.27	-5.16
03/07/2008	01/08/2010	1	CME GROUP INC	346.35	491.16	346.35	491.16	-144.81
09/06/2007	01/12/2010	1	CELGENE CORP	57.10	66.44	57.10	66.44	-9.34
12/07/2007	01/12/2010	4	CELGENE CORP	57.10	58.38	228.38	233.54	-5.16
02/05/2008	01/29/2010	2	MEDCO HEALTH SOLUTIONS INC	62.23	49.16	124.45	98.32	26.13
03/11/2008	01/29/2010	1	MEDCO HEALTH SOLUTIONS INC	62.23	41.49	62.23	41.49	20.74
09/22/2008	01/29/2010	2	WAL-MART STORES INC	53.68	59.31	107.37	118.62	-11.25
01/20/2009	01/29/2010	1	WAL-MART STORES INC	53.68	51.37	53.68	51.37	2.31
09/26/2008	02/03/2010	7	JPMORGAN CHASE & CO	41.00	40.50	287.00	283.50	3.50
06/23/2008	02/05/2010	3	QUALCOMM INC	37.81	48.06	113.44	144.17	-30.73
07/14/2008	02/05/2010	2	QUALCOMM INC	37.81	48.33	75.62	96.66	-21.04
09/06/2007	02/10/2010	150 .273	ALLIANCEBERNSTEIN GLOBAL REAL ESTATE INVT FD II CL I	7.32	16.27	1,100.00	2,444.94	-1,344.94
09/06/2007	02/11/2010	1	AIR PRODUCTS & CHEMICALS INC	68.39	91.62	68.39	91.62	-23.23
11/23/2007	02/11/2010	3	AIR PRODUCTS & CHEMICALS INC	68.39	93.27	205.17	279.82	-74.65
07/14/2008	02/12/2010	5	QUALCOMM INC	38.73	48.33	193.64	241.65	-48.01
07/28/2008	02/12/2010	2	QUALCOMM INC	38.73	54.42	77.46	108.84	-31.38
09/06/2007	02/24/2010	4	HEWLETT-PACKARD CO	50.92	50.29	203.67	201.15	2.52
07/28/2008	02/24/2010	2	QUALCOMM INC	37.92	54.42	75.84	108.84	-33.00
09/29/2008	02/24/2010	5	QUALCOMM INC	37.92	43.43	189.59	217.13	-27.54
09/06/2007	03/02/2010	1	APPLE INC	210.02	134.75	210.02	134.75	75.27
09/06/2007	03/12/2010	1	APPLE INC	226.79	134.75	226.79	134.75	92.04
09/29/2008	03/26/2010	1	QUALCOMM INC	41.82	43.43	41.82	43.43	-1.61
10/22/2008	03/26/2010	5	QUALCOMM INC	41.82	36.80	209.10	183.98	25.12
12/18/2008	03/26/2010	5	QUALCOMM INC	41.82	34.77	209.10	173.85	35.25
11/23/2007	04/09/2010	4	***TEVA PHARMACEUTICAL-SP ADR	63.11	43.60	252.45	174.40	78.05
09/06/2007	04/14/2010	2	***ALCON INC	159.55	137.47	319.10	274.95	44.15
10/28/2008	04/16/2010	3	GOLDMAN SACHS GROUP INC	161.72	95.25	485.16	285.75	199.41
09/06/2007	04/20/2010	1	APPLE INC	245.29	134.75	245.29	134.75	110.54
10/28/2008	04/21/2010	1	GOLDMAN SACHS GROUP INC	160.10	95.25	160.10	95.25	64.85
02/05/2008	04/23/2010	1	APPLE INC	270.25	130.83	270.25	130.83	139.42
09/26/2008	04/28/2010	5	JPMORGAN CHASE & CO	42.93	40.50	214.64	202.50	12.14
12/18/2008	04/28/2010	5	QUALCOMM INC	38.23	34.77	191.15	173.84	17.31
04/23/2009	04/28/2010	5	QUALCOMM INC	38.23	40.44	191.15	202.20	-11.05
07/23/2008	04/30/2010	3	BAXTER INTERNATIONAL INC	47.87	68.75	143.60	206.26	-62.66
12/02/2008	04/30/2010	4	GOLDMAN SACHS GROUP INC	145.85	64.08	583.39	256.32	327.07
04/23/2009	04/30/2010	3	GOLDMAN SACHS GROUP INC	145.85	121.85	437.55	365.55	72.00
01/20/2009	04/30/2010	3	WAL-MART STORES INC	53.92	51.37	161.76	154.10	7.66
03/11/2008	05/03/2010	4	MEDCO HEALTH SOLUTIONS INC	57.85	41.49	231.39	165.96	65.43
09/26/2008	05/07/2010	3	JPMORGAN CHASE & CO	40.36	40.50	121.09	121.50	-0.41
04/23/2009	05/18/2010	9	INTEL CORP	21.58	15.38	194.21	138.42	55.79
05/14/2009	05/18/2010	5	INTEL CORP	21.58	15.46	107.89	77.30	30.59
09/06/2007	06/02/2010	131 .062	ALLIANCEBERNSTEIN GLOBAL REAL ESTATE INVT FD II CL I	7.63	16.27	1,000.00	2,132.38	-1,132.38
09/06/2007	06/02/2010	181 .818	ALLIANCE BERNSTEIN VALUE F-AD	8.25	14.64	1,500.00	2,661.82	-1,161 82

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
05/14/2009	06/08/2010	8	INTEL CORP	20.03	15.46	160.22	123.69	36.53
06/11/2009	06/17/2010	1	***ARCELORMITTAL-NY REGISTERED	30.40	36.11	30.40	36.11	-5.71
05/22/2009	06/18/2010	7	ILLINOIS TOOL WORKS	45.65	32.79	319.52	229.54	89.98
02/05/2008	06/21/2010	1	APPLE INC	275.94	130.83	275.94	130.83	145.11
05/22/2009	06/24/2010	1	AMAZON.COM INC	119.02	75.59	119.02	75.59	43.43
09/06/2007	06/24/2010	132 .100	ALLIANCEBERNSTEIN GLOBAL REAL ESTATE INVT FD II CL I	7.57	16.27	1,000.00	2,149.27	-1,149.27
06/15/2009	06/24/2010	1	***ALCON INC	150.03	111.03	150.03	111.03	39.00
04/23/2008	06/24/2010	4	COSTCO WHOLESALE CORP	56.30	68.47	225.20	273.87	-48.67
11/13/2007	06/24/2010	5	CAMERON INTERNATIONAL CORP	34.94	43.85	174.69	219.24	-44.55
03/27/2009	06/24/2010	4	DANAHER CORP	38.93	27.80	155.72	111.21	44.51
05/14/2009	06/24/2010	1	DANAHER CORP	38.93	29.27	38.93	29.27	9.66
09/06/2007	06/24/2010	5	GILEAD SCIENCES INC	36.01	37.48	180.04	187.39	-7.35
09/06/2007	06/24/2010	5	HEWLETT-PACKARD CO	46.22	50.29	231.09	251.43	-20.34
05/14/2009	06/24/2010	8	INTEL CORP	20.35	15.46	162.80	123.69	39.11
10/22/2008	06/24/2010	4	JPMORGAN CHASE & CO	38.06	38.69	152.23	154.77	-2.54
09/06/2007	06/24/2010	55 .500	BERNSTEIN EMERGING MARKETS PORTFOLIO	27.30	46.71	1,500.00	2,592.25	-1,092.25
05/14/2009	07/08/2010	6	INTEL CORP	20.03	15.46	120.21	92.77	27.44
05/14/2009	07/15/2010	4	INTEL CORP	21.30	15.46	85.19	61.84	23.35
09/06/2007	07/16/2010	3	PEPSICO INC	62.49	68.76	187.46	206.28	-18.82
01/25/2008	07/26/2010	4	HEWLETT-PACKARD CO	46.22	43.93	184.89	175.74	9.15
11/13/2007	08/02/2010	3	CAMERON INTERNATIONAL CORP	40.90	43.85	122.69	131.54	-8.85
01/31/2008	08/02/2010	2	CAMERON INTERNATIONAL CORP	40.90	37.64	81.79	75.28	6.51
07/20/2009	08/12/2010	7	INTEL CORP	19.50	18.66	136.52	130.60	5.92
06/18/2009	08/18/2010	3	ILLINOIS TOOL WORKS	42.83	36.61	128.48	109.84	18.64
04/23/2008	08/24/2010	1	COSTCO WHOLESALE CORP	54.60	68.47	54.60	68.47	-13.87
11/11/2008	08/24/2010	2	COSTCO WHOLESALE CORP	54.60	51.95	109.19	103.90	5.29
07/20/2009	08/27/2010	18	INTEL CORP	18.31	18.66	329.54	335.84	-6.30
01/25/2008	09/02/2010	6	HEWLETT-PACKARD CO	39.32	43.94	235.91	263.62	-27.71
04/25/2008	09/03/2010	3	HEWLETT-PACKARD CO	40.24	47.19	120.72	141.57	-20.85
05/13/2009	09/03/2010	4	TARGET CORP	52.85	40.52	211.42	162.07	49.35
09/06/2007	09/09/2010	1	GOOGLE INC-CL A	479.47	525.98	479.47	525 98	-46.51
04/25/2008	09/14/2010	2	HEWLETT-PACKARD CO	39.76	47.19	79.52	94.38	-14.86
05/28/2008	09/14/2010	2	HEWLETT-PACKARD CO	39.76	46.44	79.52	92.88	-13.36
05/13/2009	09/14/2010	3	TARGET CORP	53.98	40.52	161.93	121.55	40.38
05/28/2008	09/17/2010	3	HEWLETT-PACKARD CO	39.47	46.44	118.41	139.33	-20.92
06/04/2008	09/17/2010	1	HEWLETT-PACKARD CO	39.47	46.77	39.47	46.77	-7.30
11/11/2008	09/22/2010	2	COSTCO WHOLESALE CORP	62.04	51.94	124.08	103.89	20.19
12/18/2008	09/22/2010	1	COSTCO WHOLESALE CORP	62.04	54.07	62.04	54.07	7.97
09/06/2007	09/22/2010	4	GILEAD SCIENCES INC	36.06	37.48	144.25	149.92	-5.67
06/18/2009	09/23/2010	1	ILLINOIS TOOL WORKS	45.87	36.61	45.87	36.61	9.26
08/04/2009	09/23/2010	2	ILLINOIS TOOL WORKS	45.87	40.73	91.75	81.46	10.29
09/04/2009	09/30/2010	9	INTEL CORP	19.26	19.50	173.30	175.48	-2.18
06/04/2008	10/01/2010	3	HEWLETT-PACKARD CO	40.56	46.77	121.69	140.31	-18.62
09/06/2007	10/04/2010	4	GILEAD SCIENCES INC	35.35	37.48	141.42	149.92	-8.50
09/17/2009	10/04/2010	5	KLA-TENCOR CORPORATION	34.35	34.98	171.77	174.88	-3.11
12/18/2008	10/06/2010	2	COSTCO WHOLESALE CORP	63.80	54.07	127.60	108.14	19.46
06/04/2008	10/06/2010	1	HEWLETT-PACKARD CO	40.71	46.77	40.71	46.77	-6.06

Capital Gains Report

NICHOLS FOUNDATION INC. (Account: 038-62350) January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
07/10/2008	10/06/2010	2	HEWLETT-PACKARD CO	40.71	41.87	81.42	83.74	-2.32
07/23/2009	10/07/2010	11	EMC CORP/MASS	19.56	14.99	215.18	164.85	50.33
07/10/2008	10/08/2010	3	HEWLETT-PACKARD CO	41.10	41.87	123.31	125.61	-2.30
02/05/2008	10/19/2010	1	APPLE INC	310.59	130.82	310.59	130.82	179.77
08/04/2009	10/20/2010	4	ILLINOIS TOOL WORKS	46.73	40.73	186.92	162.91	24.01
10/22/2008	10/20/2010	3	PEPSICO INC	65.26	54.11	195.77	162.32	33.45
06/15/2009	10/22/2010	1	***ALCON INC	167.34	111.02	167.34	111.02	56.32
09/17/2009	10/22/2010	1	KLA-TENCOR CORPORATION	36.08	34.97	36.08	34.97	1.11
10/01/2009	10/22/2010	3	KLA-TENCOR CORPORATION	36.08	34.37	108.25	103.10	5.15
10/22/2008	10/22/2010	1	PEPSICO INC	65.08	54.10	65.09	54.10	10.99
02/19/2009	10/22/2010	1	PEPSICO INC	65.08	51.58	65.08	51.58	13.50
09/06/2007	10/25/2010	5	GILEAD SCIENCES INC	39.62	37.48	198.11	187.39	10.72
12/18/2008	10/27/2010	2	COSTCO WHOLESALE CORP	62.77	54.06	125.55	108.13	17.42
10/13/2009	10/28/2010	1	TARGET CORP	52.33	50.59	52.33	50.59	1.74
01/18/2008	10/28/2010	3	***TEVA PHARMACEUTICAL-SP ADR	52.08	48.12	156.25	144.35	11.90
10/01/2009	11/01/2010	2	KLA-TENCOR CORPORATION	35.62	34.37	71.24	68.74	2.50
07/23/2008	11/02/2010	3	KOHLS CORP	51.54	42.89	154.61	128.68	25.93
08/07/2008	11/02/2010	2	KOHLS CORP	51.54	43.63	103.07	87.26	15.81
08/04/2009	11/03/2010	2	ILLINOIS TOOL WORKS	46.21	40.72	92.43	81.45	10.98
09/22/2009	11/03/2010	1	ILLINOIS TOOL WORKS	46.21	44.03	46.21	44.03	2.18
02/19/2009	11/08/2010	1	PEPSICO INC	65.09	51.57	65.09	51.57	13.52
03/27/2009	11/08/2010	3	PEPSICO INC	65.09	52.50	195.26	157.50	37.76
09/22/2009	11/09/2010	2	ILLINOIS TOOL WORKS	48.32	44.03	96.63	88.07	8.56
10/21/2009	11/09/2010	1	ILLINOIS TOOL WORKS	48.32	49.14	48.32	49.14	-0.82
05/14/2009	11/12/2010	4	DANAHER CORP	43.54	29.27	174.17	117.09	57.08
07/21/2009	11/17/2010	2	PEPSICO INC	63.90	56.20	127.79	112.41	15.38
04/03/2009	11/19/2010	2	COSTCO WHOLESALE CORP	66.53	48.15	133.05	96.30	36.75
10/21/2009	11/22/2010	2	ILLINOIS TOOL WORKS	47.25	49.14	94.50	98.28	-3.78
10/22/2009	11/22/2010	2	ILLINOIS TOOL WORKS	47.25	48.61	94.50	97.22	-2.72
03/24/2008	11/29/2010	1	APPLE INC	313.41	134.36	313.41	134.36	179.05
09/06/2007	12/02/2010	5	GILEAD SCIENCES INC	37.44	37.48	187.19	187.39	-0.20
12/07/2007	12/07/2010	1	CELGENE CORP	57.17	58.39	57.17	58.39	-1.22
03/17/2008	12/07/2010	4	CELGENE CORP	57.17	54.68	228.70	218.72	9.98
04/03/2009	12/09/2010	2	COSTCO WHOLESALE CORP	70.57	48.15	141.14	96.30	44.84
10/22/2009	12/09/2010	3	ILLINOIS TOOL WORKS	50.49	48.61	151.46	145.84	5.62
11/16/2009	12/10/2010	7	VERTEX PHARMACEUTICALS INC	34.21	40.76	239.44	285.35	-45.91
08/07/2008	12/13/2010	3	KOHLS CORP	53.45	43.63	160.36	130.88	29.48
01/12/2009	12/13/2010	3	KOHLS CORP	53.45	37.08	160.35	111.24	49.11
01/18/2008	12/13/2010	2	***TEVA PHARMACEUTICAL-SP ADR	53.43	48.12	106.87	96.24	10.63
02/05/2008	12/13/2010	1	***TEVA PHARMACEUTICAL-SP ADR	53.43	46.20	53.43	46.20	7.23
11/10/2009	12/14/2010	5	BROADCOM CORP-CL A	45.09	28.49	225.47	142.43	83.04
12/05/2008	12/14/2010	1	THE WALT DISNEY CO.	37.41	21.66	37.41	21.66	15.75
02/19/2009	12/14/2010	5	THE WALT DISNEY CO.	37.41	17.88	187.05	89.38	97.67
07/23/2009	12/14/2010	4	EMC CORP/MASS	22.68	14.98	90.71	59.94	30.77
09/21/2009	12/14/2010	7	EMC CORP/MASS	22.68	16.74	158.75	117.15	41.60
10/20/2009	12/14/2010	6	***SUNCOR ENERGY INC	36.35	37.92	218.07	227.55	-9.48
08/04/2009	12/17/2010	2	***ALCON INC	162.14	131.32	324.28	262.65	61.63
08/04/2009	12/20/2010	1	***ALCON INC	161.70	131.32	161.70	131.32	30.38
09/06/2007	12/20/2010	2	GILEAD SCIENCES INC	37.24	37.48	74.49	74.96	-0.47

Capital Gains Report

NICHOLS FOUNDATION INC. (Account: 038-62350) January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
03/11/2008	12/20/2010	1	GILEAD SCIENCES INC	37.24	46.69	37.24	46 69	-9.45
08/04/2009	12/30/2010	1	***ALCON INC	163.53	131.33	163.53	131 33	32.20
07/21/2009	12/30/2010	1	PEPSICO INC	65.22	56.20	65.22	56 20	9.02
SUBTOTAL FOR LONG-TERM						27,904.31	31,188.64	-3,284.33
TOTAL						49,014.59	52,322.85	-3,308.26

** ACCOUNT TOTALS **

CURRENT PERIOD - G/L -3,308.26 ok

SHORT TERM -23.93
LONG TERM -3,284.33

Capital-Gains Distributions: If you own shares of the Sanford C. Bernstein Fund, Inc., you may have received an annual capital-gains distribution (different from the capital gains or losses on securities sold, which are listed in this report). Long-term capital-gains distributions are a separate item on the I.R.S. forms, and appear on the Summary-of-Key-Items report.

Zero-Cost Transactions: If you transferred securities to Bernstein for which the purchase price was unavailable, the total capital-gains figure that appears on this report needs to be adjusted. Any such transactions are segregated on the Capital-Gains report, with the cost entered as zero. You will need to update the report data with the correct purchase information.

This information should be reviewed by your tax advisor or accountant.