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 , 2010, 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: The Norton Foundation

A Employer identification number: 86-0836442

Number and street (or P O box number if mail is not delivered to street address): P. O. Box 44015 | Room/suite

B Telephone number (see the instructions): (602) 954-8812

City or town: Phoenix | State: AZ | ZIP code: 85064-4015

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

D 1 Foreign organizations, check here ► [ ]

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

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

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

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ► $ 2,688,848.

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

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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 the instructions).)*

		(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 (att sch)				
	2 Ck ► [X] if the foundn is **not** req to att Sch B				
	3 Interest on savings and temporary cash investments	199.	199.		
	4 Dividends and interest from securities	53,380.	53,380.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	134,938.			
	b Gross sales price for all assets on line 6a 2,425,196.				
	7 Capital gain net income (from Part IV, line 2)		134,938.		
	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/(loss) (att sch)				
	11 Other income (attach schedule)				
	12 **Total.** Add lines 1 through 11	188,517.	188,517.		
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) L-16b Stmt	815.			815.
	c Other prof fees (attach sch) L-16c Stmt	30,621.	30,621.		
	17 Interest				
	18 Taxes (attach schedule)(see instr) See Line 18 Stmt	2,232.	660.		
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) Miscellaneous	420.			10.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	34,088.	31,281.		825.
	25 Contributions, gifts, grants paid	124,250.			124,250.
	26 **Total expenses and disbursements.** Add lines 24 and 25	158,338.	31,281.		125,075.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	30,179.			
	b **Net investment income** (if negative, enter -0-)		157,236.		
	c **Adjusted net income** (if negative, enter -0-)				

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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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing			
	2 Savings and temporary cash investments	24,356.	31,372.	31,372.
	3 Accounts receivable ► 2,481.			
	Less. allowance for doubtful accounts ►	4,053.	2,481.	2,481.
	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 the instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U.S and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule) L-10b Stmt	2,306,024.	2,319,241.	2,654,995.
	c Investments – corporate bonds (attach schedule)			
	11 Investments – land, buildings, and equipment. basis ►			
	Less: accumulated depreciation (attach schedule) ►			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule)			
	14 Land, buildings, and equipment: basis ►			
	Less accumulated depreciation (attach schedule) ►			
	15 Other assets (describe ►)			
	16 Total assets (to be completed by all filers – see instructions Also, see page 1, item I)	2,334,433.	2,353,094.	2,688,848.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ►)			
	23 Total liabilities (add lines 17 through 22)			
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 ► ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	2,334,433.	2,353,094.	
	30 Total net assets or fund balances (see the instructions)	2,334,433.	2,353,094.	
	31 Total liabilities and net assets/fund balances (see the instructions)	2,334,433.	2,353,094.	

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	2,334,433.
2	Enter amount from Part I, line 27a	2	30,179.
3	Other increases not included in line 2 (itemize) ► Partnership K-1 income not on books	3	-11,518.
4	Add lines 1, 2, and 3	4	2,353,094.
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	2,353,094.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	Schedule 1 - Windhaven Account	P	Various	Various
b	K-I Gains	P	Various	Various
c	1099 Reclassifications to STCG	P	Various	Various
d	K-I straddle	P	Various	Various
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	2,425,196.		2,301,836.	123,360.
b	0.		0.	1,056.
c	0.		0.	-369.
d	0.		0.	10,891.
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				123,360.
b				1,056.
c				-369.
d				10,891.
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	134,938.
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 the instructions) If (loss), enter -0- in Part I, line 8	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

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 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 (column (b) divided by column (c))
2009	143,660.	2,465,825.	0.058260
2008	162,922.	2,846,927.	0.057227
2007	159,459.	3,451,946.	0.046194
2006	115,368.	3,222,511.	0.035801
2005	50,315.	2,804,970.	0.017938

2	**Total** of line 1, column (d)	2	0.215420
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	0.043084
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	2,569,921.
5	Multiply line 4 by line 3	5	110,722.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,572.
7	Add lines 5 and 6	7	112,294.
8	Enter qualifying distributions from Part XII, line 4	8	125,075.

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 the instructions)

1 a 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 instr.)** **b** Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☒ and enter 1% of Part I, line 27b **c** All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			1	1,572.
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	1,572.
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	1,572.
6 Credits/Payments.				
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a	4,053.		
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	4,053.
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	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	2,481.
11 Enter the amount of line 10 to be **Credited to 2011 estimated tax** ► 2,481. **Refunded** ►			11	

Part VII-A Statements Regarding Activities

		Yes	No
1 a 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 the 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 ► $ ________ **(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*	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?	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, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) ► AZ - Arizona			
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 ► Roger L. Stevenson Telephone no ► (602) 954-8812

Located at ► 3200 E. Camelback Road Suite 389 Phoenix, AZ ZIP + 4 ► 85018

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

			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 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
1 a	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 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 ► 20__ , 20__ , 20__ , 20__ .			
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 the instructions)	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? ☐ 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.)*	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)*

			Yes	No
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 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 instructions)?		**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?	☐ 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 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?		**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 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
John R. Norton P. O. Box 44015 Phoenix, AZ 85064-4015	Dir./ Pres. 2.00	0.	0.	0.
Doris S. Norton P. O. Box 44015 Phoenix, AZ 85064-4015	Dir./ Sec. 1.00	0.	0.	0.
Michael R. Norton P. O. Box 44015 Phoenix, AZ 85064-4015	Director 1.00	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		0.	0.	0.

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

(a) Name and address of each employee paid more than $50,000	**(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				
0				
0				
0				
0				

Total number of other employees paid over $50,000 ► None

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 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 ►		None

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 "None" The Norton Foundation supports organizations exempt under IRC Section 501 (c) (3) dedicated to helping meet charitable, educational and scientific needs of the Phoenix Area, State of Arizona, Western United States and United States.	0.
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 None	0.
2	
All other program-related investments See instructions. 3	
Total. Add lines 1 through 3 ►	None

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes.		
a	Average monthly fair market value of securities	1a	2,529,487.
b	Average of monthly cash balances	1b	79,570.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	2,609,057.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,609,057.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	39,136.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,569,921.
6	**Minimum investment return.** Enter 5% of line 5	6	128,496.

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	128,496.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,572.		
b	Income tax for 2010. (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	1,572.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	126,924.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	126,924.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	126,924.

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	125,075.
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	125,075.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	1,572.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	123,503.

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				126,924.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			117,971.	
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2010:				
a From 2005 — 0.				
b From 2006 — 0.				
c From 2007 — 0.				
d From 2008 — 0.				
e From 2009 — 0.				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4 ► $ 125,075.				
a Applied to 2009, but not more than line 2a			117,971.	
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				7,104.
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).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
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 instructions			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				119,820.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2006 — 0.				
b Excess from 2007 — 0.				
c Excess from 2008 — 0.				
d Excess from 2009 — 0.				
e Excess from 2010 — 0.				

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 organization had $5,000 or more in assets at any time during the year – see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2))

John R. and Doris S. Norton
P. O. Box 44015 Phoenix, AZ 85064-4015

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 ▶ [X] 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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

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*				
AFMA Education Foundation 120 East Pierce Street Phoenix AZ 85004	N/A	Public	Operating	2,000.
All Saints Episcopal Church 6300 N. Central Ave. Phoenix, AZ 85012	N/A	Public	Operating	1,000.
Arizona Humane Society 1521 W. Dobbins Phoenix, AZ 85041	N/A	Public	Operating	1,000.
Arizona 4-H Youth Foundation P. O. Box 210036 Tucson AZ 85721-0036	N/A	Public	Endowment	1,000.
ASU Foundation - Friends of Dance P. O. Box 875005 Tempe AZ 85287-5005	N/A	Public	Endowment	450.
Barrow Neurological Foundation 350 W. Thomas Road Phoenix, AZ 85013	N/A	Public	Endowment	3,440.
Brophy College Preparatory 4701 N. Central Ave. Phoenix, AZ 85012	N/A	Public	Operating	5,300.
CA. Agricultural Leadership Foundation P. O. Box 479 Salinas CA 93902	N/A	Public	Operating	5,000.
CA. Strawberry Scholarship Fund P. O. 269 Watsonville CA 95077-0269	N/A	Public	Endowment	1,000.
See Line 3a statement				104,060.
Total			► **3a**	124,250.
b *Approved for future payment*				
Arizona 4-H Youth Foundation P. O. Box 210036 Tucson AZ 85721-0036	N/A	Public	Endowment	1,000.
Central Coast Hospice Foundation P. O. Box 1798 Monterey CA 93942	N/A	Public	Endowment	10,000.
See Line 3b statement				40,000.
Total			► **3b**	51,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue.					
a					
b None					
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	199.	
4 Dividends and interest from securities			14	53,380.	
5 Net rental income or (loss) from real estate.					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	134,938.	
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)				188,517.	
13 **Total.** Add line 12, columns (b), (d), and (e)				13	188,517.

(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) (See the instructions)
	N/A

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	1 a (1)		X
(2) Other assets	1 a (2)		X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1 b (1)		X
(2) Purchases of assets from a noncharitable exempt organization	1 b (2)		X
(3) Rental of facilities, equipment, or other assets	1 b (3)		X
(4) Reimbursement arrangements	1 b (4)		X
(5) Loans or loan guarantees	1 b (5)		X
(6) Performance of services or membership or fundraising solicitations	1 b (6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1 c		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

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

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

Signature of officer or trustee | Date 11/14/2011 | Title Treasurer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if ☒ if self-employed	PTIN
Douglas McCulley		11/14/11		P01216580

Firm's name ▶ Douglas B. McCulley CPA | Firm's EIN ▶ 86-0669859

Firm's address ▶ 2331 E. Camelback Road, Suite 320 Phoenix AZ 85016 | Phone no (602) 277-7444

Form 990-PF, Page 1, Part I, Line 18
Line 18 Stmt

Taxes (see the instructions)	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Income tax	1,572.			
Foreign tax	660.	660.		
Total	2,232.	660.		

Form 990-PF, Page 6, Part VIII, Line 1
Information about Officers, Directors, Trustees, Etc.

(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
Person [X] Business [ ] John P. Norton P. O. Box 6039 Incline Village NV 89450	Director 1.00	0.	0.	0.
Person [X] Business [ ] Melanie M. Norton P. O. Box 44015 Phoenix AZ 85064-4015	Director 1.00	0.	0.	0.
Person [X] Business [ ] Roger L. Stevenson P. O. Box 44015 Phoenix, AZ 85064-4015	Treasurer 3.00	0.	0.	0.
Total		0.	0.	0.

Form 990-PF, Page 11, Part XV, line 3a
Line 3a statement

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	Person or Business Checkbox Amount
a *Paid during the year*				
Cato Institute 1000 Massachusetts Ave. N.W. Washington DC 20001	N/A	Public	Operating	Person or [ ] Business [X] 2,000.
Central Coast Hospice Foundation P. O. Box 1798 Monterey CA 93942	N/A	Public	Endowment	Person or [ ] Business [X] 5,000.

Form 990-PF, Page 11, Part XV, line 3a Continued
Line 3a statement

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	Person or Business Checkbox Amount
a *Paid during the year*				
Crisis Nursery 2334 E. Polk Street Phoenix, AZ 85006	N/A	Public	Operating	Person or Business X 2,000.
Eisenhower Dance Ensemble 17348 W. Twelve Mile Road Southfield, MI 48076	N/A	Public	Operating	Person or Business X 250.
Esperanza Proj.- Alfredo Center 8234 N. 15th Place Phoenix AZ 85020	N/A	Public	Operating	Person or Business X 100.
Grand Canyon Council, Inc. - BSA 2969 N. Grenfield Road Phoenix, AZ 85016	N/A	Public	Operating	Person or Business X 2,000.
Institute For Justice 901 N. Glebe Road Suite 900 Arlington VA 22203	N/A	Public	Operating	Person or Business X 2,000.
Mountain States Legal Foundation 2596 South Lewis Way Lakewood CO 80227	N/A	Public	Operating	Person or Business X 2,000.
Phoenix Art Museum 1625 N. Central Ave. Phoenix AZ 85004-1685	N/A	Public	Operating	Person or Business X 1,000.
Phoenix Childrens' Hospital 2929 E. Camelback Road Suite 122 Phoenix AZ 85016	N/A	Public	Operating	Person or Business X 2,500.
Rio Salado Foundation 1645 E. Missouri Suite 420 Phoenix AZ 85016	N/A	Public	Operating	Person or Business X 1,000.
Ronald McDonald House Charities 501 East Roanoke Ave. Phoenix AZ 85004	N/A	Public	Operating	Person or Business X 2,000.
St Joseph's Foundation 350 W. Thomas Road Phoenix, AZ 85013	N/A	Public	Endowment	Person or Business X 2,000.
St. Lukes Board of Visitors 1800 E. Van Buren Street Phoenix AZ 85006	N/A	Public	Operating	Person or Business X 14,280.
St. Mary's/Westside Food Bank 4211 N. 43rd Ave. Phoenix AZ 85031	N/A	Public	Operating	Person or Business X 1,000.
Smithsonian Institute P. O. Box 37012 Washington DC 20013-7012	N/A	Public	Operating	Person or Business X 2,500.
T-Gen (Project Pink) 400 E. Van Buren Street Phoenix AZ 85004	N/A	Public	Operating	Person or Business X 200.

Form 990-PF, Page 11, Part XV, line 3a Continued
Line 3a statement

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	Person or Business Checkbox Amount
a *Paid during the year*				
Through Each Others Eyes 8234 N. 15th Place Phoenix AZ 85020	N/A	Public	Operating	Person or [ ] Business [X] 1,000.
U-Mom New Day Centers 3333 E. Van Buren Street Phoenix AZ 85008	N/A	Public	Operating	Person or [ ] Business [X] 140.
University of Arizona Foundation P. O. Box 210109 Tucson AZ 85721-010	N/A	Public	Endowment	Person or [ ] Business [X] 3,700.
Valley of the Sun United Way 1515 East Osborn Rd. Phoenix, AZ 85014	N/A	Public	Operating	Person or [ ] Business [X] 22,500.
Wellness Community Arizona 360 East Palm Lane Phoenix AZ 85024	N/A	Public	Operating	Person or [ ] Business [X] 1,000.
Xavier College Preparatory 4710 N. Fifth Street Phoenix AZ 85012-1738	N/A	Public	Endowment	Person or [ ] Business [X] 33,890.
Total				104,060.

Form 990-PF, Page 10, Part XV, line 3b
Line 3b statement

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	Person or Business Checkbox Amount
b *Approved for future payment*				
Grand Canyon Council, Inc. 2969 N. Greenfield Road Phoenix AZ 85016	N/A	Public	Capital	Person or [ ] Business [X] 20,000.
Xavier College Preparatory 4710 N. 5th Street Phoenix AZ 85012-1738	N/A	Public	Capital	Person or [ ] Business [X] 20,000.
Total				40,000.

Form 990-PF, Page 1, Part I
Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Douglas B. McCulley,	990 PF Review	815.			815.
Total		815.			815.

Form 990-PF, Page 1, Part I
Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Windward Account	Investment Manager	29,223.	29,223.		
K-1 Pass Thru	Investment Mangement	1,398.	1,398.		
Total		30,621.	30,621.		

Form 990-PF, Page 2, Part II, Line 10b
L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year Book Value	End of Year Fair Market Value
Windward Management	2,319,241.	2,654,995.
Total	2,319,241.	2,654,995.

January 25, 2011

Timothy L. Rowland
David L. Carmichael

Realized Gains and Losses
From 01/01/2010 to 12/31/2010

Norton Foundation   Windhaven G
chg'd to Windward 5/7/08
PO Box 44015
Phoenix, AZ 85064

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
7-10 Yr Treasury Bond Index	06/02/2009	11/18/2010	1,380.000	133,747.34	124,186.20		9,561.14	9,561.14
BRIC-Brazil,Russia,India,Chin	06/02/2009	10/04/2010	2,146.000	97,428.74	73,865.32		23,563.42	23,563.42
China 25 Index-ETF Par 0.00	02/04/2009	10/04/2010	1,259.000	54,318.88	33,476.18		20,842.70	20,842.70
DB Agriculture Fund-ETF	02/05/2010	05/12/2010	2,874.000	70,091.89	72,555.25	-2463.36		-2463.36
DB Commodity Index-ETF	02/05/2010	08/12/2010	3,069.000	69,012.00	68,510.48	501.52		501.52
Emerging Mkts Currency-ETF	12/16/2009	06/02/2010	4,315.000	91,296.99	96,000.87	-4,703.88		-4,703.88
Emerging Mkts Currency-ETF	02/05/2010	06/02/2010	1,304.000	27,590.09	28,016.00	-425.91		-425.91
			5,619.000	118,887.08	124,016.87	-5,129.79		-5,129.79
Emerging Mkts Currency-ETF	02/05/2010	10/04/2010	3,500.000	80,183.09	75,196 32	4,986.77		4,986.77
			9,119.000	199,070.17	199,213.19	-143.02		-143.02
Emerging Mkts Small Cap-ET	10/04/2010	12/14/2010	315.000	18,240.99	17,399.87	841 12		841.12
GSCI Commodity Trust-ETF Par 0.00	06/02/2009	08/12/2010	2,584.000	74,253.95	79,075.06		-4821.11	-4821.11
High Yield Corp Bond-ETF	02/05/2010	10/04/2010	846.000	75,221.09	71,860.58	3,360.51		3,360.51
Hong Kong Index-ETF	02/05/2010	06/02/2010	4,950.000	72,861.24	71,793.85	1,067.39		1,067.39
Int'l Inflation Protected Bond Par 0.00	12/16/2009	06/02/2010	1,687.000	87,190.60	96,322.99	-9,132.39		-9,132.39
Investment Grade Corp Bond	11/04/2008	02/05/2010	1,404.000	146,704.29	124,576.92		22,127.37	22,127.37
Investment Grade Corp Bond	02/04/2009	02/05/2010	160.000	16,718.45	15,800.00		918.45	918.45

Schedule 1 Page 1 of 4

Realized Gains and Losses

From 01/01/2010 to 12/31/2010

Norton Foundation Windhaven G

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
Investment Grade Corp Bond	06/02/2009	02/05/2010	412.000	43,049.97	40,586.12	2,463.85		2,463.85
			1,976.000	206,472.71	180,963.04	2,463.85	23,045.82	25,509.67
Japan Index-ETF Par 0.00	03/26/2009	02/05/2010	10,820.000	105,111.42	91,209.35	13,902.07		13,902.07
JP Morgan Emerging Mkt Bon	10/02/2009	02/05/2010	792.000	77,883.89	81,216.34	-3,332.45		-3,332.45
JP Morgan Emerging Mkt Bon	10/02/2009	06/02/2010	728.000	73,679.56	74,653.41	-973.85		-973.85
			1,520.000	151,563.45	155,869.75	-4,306.30		-4,306.30
MSCI Germany Index-ETF Par 0.00	10/02/2009	02/05/2010	4,852.000	94,419.47	103,744.71	-9,325.24		-9,325.24
Nasdaq 100 Index-ETF	12/23/2009	06/02/2010	627.000	28,795.13	28,568.59	226.54		226.54
Nasdaq 100 Index-ETF	12/23/2009	10/04/2010	1,645.000	79,667.74	74,952.68	4,715.06		4,715.06
			2,272.000	108,462.87	103,521.27	4,941.60		4,941.60
Pimco Short Maturity Strateg	11/18/2010	12/08/2010	516.000	51,898.97	52,177.92	-278.95		-278.95
Russell 2000 Index-ETF	10/02/2009	02/05/2010	2,666 000	156,063.63	155,943.29	120 34		120.34
Russell 2000 Index-ETF	06/02/2010	10/04/2010	1,157.000	77,394.43	75,716.67	1,677.76		1,677.76
			3,823.000	233,458.06	231,659.96	1,798.10		1,798.10
South Korea Index-ETF	02/05/2010	06/02/2010	1,613.000	71,066.85	70,643.19	423.66		423.66
Vanguard Div Appreciation-E Par 0.00	03/17/2010	10/04/2010	1,068.000	51,999.44	52,202.11	-202.67		-202.67
Vanguard Div Appreciation-E Par 0.00	06/02/2010	10/04/2010	512.000	24,928 57	23,668.03	1,260.54		1,260.54
			1,580.000	76,928.01	75,870.14	1,057.87		1,057.87

Schedule 1 Page 2 of 4

Realized Gains and Losses
From 01/01/2010 to 12/31/2010

Norton Foundation Windhaven G

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
Vanguard Div Appreciation-E Par 0.00	02/05/2010	12/14/2010	232.000	12,190.50	10,520.50	1,670.00		1,670.00
Vanguard Div Appreciation-E Par 0.00	06/02/2010	12/14/2010	76.000	3,993.43	3,513.22	480.21		480.21
			308.000	16,183.93	14,033.72	2,150.21		2,150.21
			1,888.000	93,111.94	89,903.86	3,208.08		3,208.08
Vanguard Intl Equity Index-E	10/09/2008	02/05/2010	843.000	33,235.51	29,796.93		3,438.58	3,438.58
Vanguard Total Bond Index-E	06/02/2010	08/04/2010	840.000	68,550.69	67,452.58	1,098.11		1,098.11
Vanguard Total Stock Index-Par 0.00	02/04/2009	02/05/2010	624.000	33,328.07	26,332.05		6,996.02	6,996.02
Vanguard Total Stock Index-Par 0.00	02/04/2009	10/04/2010	2,287.000	132,376.61	96,508.65		35,867.96	35,867.96
Vanguard Total Stock Index-Par 0.00	02/04/2009	12/14/2010	471.000	30,356.95	19,875.63		10,481.32	10,481.32
			3,382.000	196,061.63	142,716.33		53,345.30	53,345.30
VIX Volatility Index-ETN	02/05/2010	03/08/2010	2,236.000	52,449.18	73,917.69	-21,468.51		-21,468.51
Total (Sales)				2417299.64	2301835.55	-13,511.76	128,975.85	115,464.09

Schedule 1 Page 3 of 4

Realized Gains and Losses

From 01/01/2010 to 12/31/2010

Norton Foundation Windhaven G

Capital Gain Distributions

Description	Pay Date	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
Emerging Mkts Small Cap-ET	12/30/2010	5316.65		5,316.65		5,316.65
Emerging Mkts Small Cap-ET	12/30/2010	1230.39			1,230.39	1,230.39
				5,316.65	1,230.39	6,547.04
Vanguard Total Bond Index-E	12/31/2010	458.59		458.59		458.59
Vanguard Total Bond Index-E	12/31/2010	890.65			890.65	890.65
				458.59	890.65	1,349.24
Total (Distributions)				5,775.24	2,121.04	7,896.28
Total Gains		2,425,195.92	2,301,835.55	-7,736.52	131,096.89	123,360.37

INFORMATION CONTAINED HEREIN IS BASED ON DATA OBTAINED FROM SOURCES WE CONSIDER TO BE RELIABLE, BUT IS NOT GUARANTEED BY US AS TO ACCURACY AND DOES NOT PURPORT TO BE COMPLETE THE ACCOUNT CUSTODIAN DOES NOT VERIFY THE ACCURACY OF THE ADVISORY FEE CALCULATION. WE STRONGLY URGE YOU TO COMPARE THIS STATEMENT WITH STATEMENTS RECEIVED FROM THE ACCOUNT CUSTODIAN.