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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

2011

For calendar year 2011, or tax year beginning 01-01-2011 , and ending 12-31-2011

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
NICHOLAS J AND ANNA K BOURAS
FOUNDATION INC

A Employer identification number
22-3591803

Number and street (or P O box number if mail is not delivered to street address) Room/suite
25 DE FOREST AVENUE

B Telephone number (see page 10 of the instructions)
(908) 918-9400

City or town, state, and ZIP code
SUMMIT, NJ 07901

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 ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 50,211,455

J Accounting method ☐ Cash ☑ Accrual
☐ Other (specify) _
(Part I, column (d) must be on cash basis.)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of 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 (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	323,521	323,521		
	4	Dividends and interest from securities	963,743	963,743		
	5a	Gross rents				
	b	Net rental income or (loss) ______				
	6a	Net gain or (loss) from sale of assets not on line 10	-3,050,730			
	b	Gross sales price for all assets on line 6a 25,113,377				
	7	Capital gain net income (from Part IV, line 2)				
	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) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	-1,763,466	1,287,264		
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)	50,573			50,573
	b	Accounting fees (attach schedule)	57,281			57,281
	c	Other professional fees (attach schedule)	380,986	380,986		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	100,091			100,091
	19	Depreciation (attach schedule) and depletion	26,859			
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	19,005			19,005
	24	**Total operating and administrative expenses.** Add lines 13 through 23	634,795	380,986		226,950
	25	Contributions, gifts, grants paid	5,046,000			5,046,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	5,680,795	380,986		5,272,950
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-7,444,261			
	b	**Net investment income** (if negative, enter -0-)		906,278		
	c	**Adjusted net income** (if negative, enter -0-)				

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	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	7,012,206	10,809,607	10,809,607
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)	3,012,365	1,792,523	1,961,827
	b	Investments—corporate stock (attach schedule)	17,921,155	9,825,141	10,843,572
	c	Investments—corporate bonds (attach schedule)	16,185,122	14,592,476	15,269,076
	11	Investments—land, buildings, and equipment basis ▶ 476,543 Less accumulated depreciation (attach schedule) ▶ 114,028	389,374	362,515	362,515
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	11,236,943	5,223,747	5,174,848
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	83,115	5,790,010	5,790,010
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	55,840,280	48,396,019	50,211,455
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)		0	
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, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	55,840,280	48,396,019	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	55,840,280	48,396,019	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	55,840,280	48,396,019	

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	55,840,280
2	Enter amount from Part I, line 27a	2	-7,444,261
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	48,396,019
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	48,396,019

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See Additional Data Table			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	See Additional Data Table			
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) 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	
a	See Additional Data Table			
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 }	2	-3,050,730
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	3	-41,959

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	9,306,091	57,269,889	0 162495
2009	6,272,911	57,096,529	0 109865
2008	7,139,363	68,362,901	0 104433
2007	4,580,363	72,053,792	0 063569
2006	4,190,914	54,920,263	0 076309

2	**Total** of line 1, column (d).	2	0 516671
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 103334
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	52,655,262
5	Multiply line 4 by line 3.	5	5,441,079
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	9,063
7	Add lines 5 and 6.	7	5,450,142
8	Enter qualifying distributions from Part XII, line 4.	8	5,272,950

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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	18,126
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	
3	Add lines 1 and 2			3	18,126
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	18,126
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	193,337		
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	193,337
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	175,211
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶	175,211	**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		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*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		No
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		No
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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
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		No
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	Yes	
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶NJ			
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	Yes	
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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions).	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶WILLIAM S CRANE Telephone no ▶(908) 277-2350

Located at ▶25 DEFOREST AVENUE SUMMIT NJ ZIP+4 ▶07901

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 2011, 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		

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
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☑ **Yes** ☐ **No**			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ **Yes** ☑ **No**			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ **Yes** ☑ **No**			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ **Yes** ☑ **No**			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ **Yes** ☑ **No**			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ **Yes** ☑ **No**			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		No
	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 2011?	1c		No
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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ **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 page 20 of 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 2011 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 2011.)*	3b	Yes	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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 2011?	4b		No

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **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** No

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 page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NICHOLAS J BOURAS 112 BEEKMAN RD SUMMIT, NJ 07901	PRES/MEMBER 5 00	0	0	0
WILLIAM S CRANE 265 MEETING HOUSE LANE MOUNTAINSIDE, NJ 07092	TRUSTEE 5 00	0	0	0
ANDREW J STAMELMAN 1 SPEEDWELL AVE MORRISTOWN, NJ 07962	TRUSTEE 1 00	0	0	0

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
CTR FINANCIAL GROUP LLC 25 DEFOREST AVENUE SUITE 101 SUMMIT, NJ 07901	INVEST ADVISORY	206,117
CRANE TONELLI ROSENBERG & CO LLP 25 DEFOREST AVENUE SUITE 101 SUMMIT, NJ 07901	ACCOUNTING SVCS	57,281
RIKER DANZIG SCHERER HYLAND & PERRETTI LLP HEADQUARTERS PLAZA ONE SPEEDWELL AVENUE MORRISTOWN, NJ 07962	LEGAL SVCS	50,573

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

Part IX-A **Summary of Direct Charitable Activities**

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

Part IX-B **Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions	
3	
Total. Add lines 1 through 3. . . . . ▶	

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	46,972,739
b	Average of monthly cash balances	1b	6,484,380
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	53,457,119
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	53,457,119
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	801,857
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	52,655,262
6	**Minimum investment return.** Enter 5% of line 5	6	2,632,763

Part XI **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6			1	2,632,763
2a	Tax on investment income for 2011 from Part VI, line 5	2a	18,126		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	18,126
3	Distributable amount before adjustments Subtract line 2c from line 1			3	2,614,637
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	2,614,637
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	2,614,637

Part XII **Qualifying Distributions** (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	5,272,950
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	5,272,950
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	5,272,950

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7					2,614,637
2 Undistributed income, if any, as of the end of 2011					
a Enter amount for 2010 only.					
b Total for prior years 20___, 20___, 20___					
3 Excess distributions carryover, if any, to 2011					
a From 2006.	1,667,215				
b From 2007.	2,235,164				
c From 2008.	3,779,809				
d From 2009.	3,470,428				
e From 2010.	6,539,118				
f **Total** of lines 3a through e.		17,691,734			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 5,272,950					
a Applied to 2010, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)					
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .					
d Applied to 2011 distributable amount.					2,614,637
e Remaining amount distributed out of corpus		2,658,313			
5 Excess distributions carryover applied to 2011 *(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		20,350,047			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.					
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .					
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions					
f Undistributed income for 2011 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) (see page 27 of the instructions)					
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions)		1,667,215			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		18,682,832			
10 Analysis of line 9					
a Excess from 2007. . . .	2,235,164				
b Excess from 2008. . . .	3,779,809				
c Excess from 2009. . . .	3,470,428				
d Excess from 2010. . . .	6,539,118				
e Excess from 2011. . . .	2,658,313				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling. . . . . . . ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2011	**(b)** 2010	**(c)** 2009	**(d)** 2008	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

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

NICHOLAS J BOURAS

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

NICHOLAS J BOURAS

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☑ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

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* See Additional Data Table				
Total . . . . ▶ **3a**				5,046,000
b *Approved for future payment*				
Total . . . . ▶ **3b**				

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 page 28 of the instructions)
1 Program service revenue	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	323,521	
4 Dividends and interest from securities. . . .			14	963,743	
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			14	-3,050,730	
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). .				-1,763,466	

13 **Total.** Add line 12, columns (b), (d), and (e). . . . . 13 -1,763,466

(See worksheet in line 13 instructions on page 28 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 organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)

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)		No
(2) Other assets	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
(3) Rental of facilities, equipment, or other assets	1b(3)		No
(4) Reimbursement arrangements	1b(4)		No
(5) Loans or loan guarantees	1b(5)		No
(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

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

****** | 2012-08-14 | ******

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's Signature	Date	Check if self-employed ☐	PTIN
WILLIAM S CRANE	2012-08-13		
Firm's name ▶ CRANE TONELLI ROSENBERG & CO LLP		Firm's EIN ▶	
Firm's address ▶ 25 DEFOREST AVE STE 101 SUMMIT, NJ 07901		Phone no (908) 277-2350	

May the IRS discuss this return with the preparer shown above? See instructions ▶ ☐ Yes ☑ No

Additional Data

Software ID:
Software Version:
EIN: 22-3591803
Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

Form 990PF - Special Condition Description:

Special Condition Description

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
MSFI ANHEUSER BUSCH 142000	P	2010-06-02	2011-03-31
MSFI HALLIBURTON 135000	P	2010-10-15	2011-03-30
MSFI GOLDMAN SACHS 132000	P	2010-03-03	2011-12-20
MSFI LEGG MASON SMASH 8264 721	P	2007-12-21	2011-08-25
MSEQ ALCATEL 5000	P	2011-04-27	2011-06-13
MSEQ CALL AAPL OCT 11 @ 385 00 -3	P	2011-09-08	2011-09-19
MSEQ COCA-COLA 100	P	2010-12-16	2011-01-07
MSEQ FREEPORT 400	P	2010-09-01	2011-01-26
MSEQ L3 COMMUNICATIONS 1000	P	2011-05-17	2011-05-23
MSEQ CGMI 3000	P	2011-03-04	2011-08-01
MSEQ ST JOE 1600	P	2011-03-10	2011-04-15
MSEQ MAKO SURGICAL 1000	P	2010-03-04	2011-06-07
MSFI COMCAST 14600	P	2010-07-23	2011-07-14
MSFI KRAFT 34000	P	2011-03-31	2011-08-25
MSFI DTD 3000	P	2010-08-24	2011-12-20
MSFI LEGG MASON SMASH 83655 706	P	2007-07-11	2011-08-25
MSEQ ALCATEL 2000	P	2011-04-29	2011-06-13
MSEQ BRISTOL MYERS 2500	P	2011-04-12	2011-08-01
MSEQ CURRENCY SHARES 400	P	2011-01-03	2011-01-06
MSEQ FREEPORT 200	P	2010-09-08	2011-01-26
MSEQ MASTERCARD 250	P	2011-04-05	2011-05-23
MSEQ CGMI 3000	P	2011-03-07	2011-08-01
MSEQ ST JOE 400	P	2011-04-05	2011-04-15
MSEQ SCHLUMBERGER 100	P	2010-04-30	2011-08-19
MSFI COMCAST 26000	P	2011-07-14	2011-08-25
MSFI SCOTLAND 24000	P	2010-11-18	2011-08-25
MSFI JP MORGAN 25000	P	2010-08-17	2011-08-25
MSFI MERILL LYNCH 15000	P	2010-06-15	2011-08-25
MSEQ ALL SCRIPTS 1500	P	2011-01-10	2011-01-26
MSEQ BRISTOL MYERS 1000	P	2011-06-23	2011-08-01

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
MSEQ DR HORTON 4000	P	2011-05-27	2011-06-13
MSEQ GOLDCORP 1000	P	2011-03-01	2011-06-07
MSEQ MASTERCARD 50	P	2011-04-25	2011-05-23
MSEQ POTASH 1500	P	2010-12-29	2011-04-11
MSEQ SCHLUMBERGER 500	P	2010-04-30	2011-01-24
MSEQ SCHLUMBERGER 200	P	2010-05-25	2011-08-19
MSFI ENTERPRISE PROD 34000	P	2011-03-30	2011-08-25
MSFI US T BILL 428000	P	2011-02-18	2011-02-25
MSFI LEGG MASON 4709 75	P	2007-10-11	2011-08-25
MSFI TIME WARNER 26000	P	2010-05-26	2011-08-25
MSEQ ALL SCRPITS 1500	P	2011-01-10	2011-02-18
MSEQ BRISTOL MYERS 1300	P	2011-10-06	2011-11-25
MSEQ EMC CORP 1500	P	2010-01-26	2011-01-24
MSEQ GOLDCORP 1000	P	2011-04-05	2011-06-07
MSEQ MASTERCARD 100	P	2011-05-02	2011-05-23
MSEQ POTASH 600	P	2011-01-07	2011-04-11
MSEQ SCHLUMBERGER 200	P	2010-10-07	2011-08-19
SCHWAB LOOMIS SAYLES 9031	P	2009-02-10	2011-08-04
MSFI FED HOME LOAN MTG 60000	P	2010-10-07	2011-08-25
MSFI US T NOTE 427000	P	2011-03-15	2011-08-17
MSFI LEGG MASON 1719 917	P	2007-10-18	2011-08-25
MSFI US TSY INFLATION 108000	P	2007-07-12	2011-08-25
MSEQ ANGLO AMERICAN 2000	P	2010-12-29	2011-05-16
MSEQ BRISTOL MYERS 1700	P	2011-10-10	2011-11-25
MSEQ EMC CORP 800	P	2010-09-24	2011-06-13
MSEQ HAIN CELESTIAL 1500	P	2011-04-01	2011-06-13
MSEQ MASTERCARD 100	P	2011-05-03	2011-05-23
MSEQ PROSHARES 1500	P	2011-08-26	2011-09-22
MSEQ SELECT SECTOR SPDER 2200	P	2010-11-29	2011-01-20
SCHWAB PIMCO EMRG LOCAL 24149	P	2009-08-12	2011-08-04

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
MSFI FNMA 250000	P	2011-08-17	2011-08-25
MSFI US T NOTE 441000	P	2010-02-18	2011-01-07
MSFI LEGG MASON 8845 739	P	2007-11-19	2011-08-25
MSFI US TSY INFLATION 112000	P	2007-07-12	2011-11-10
MSEQ CGMI 2000	P	2011-02-02	2011-05-16
MSEQ CAMECO CORP 1000	P	2010-11-08	2011-01-27
MSEQ EMC CORP 700	P	2010-12-17	2011-06-13
MSEQ HAIN CELESTIAL 1500	P	2011-04-06	2011-06-13
MSEQ NYSE 1500	P	2011-01-13	2011-02-10
MSEQ PROSPECTUS 1500	P	2011-08-30	2011-09-22
MSEQ SELECT SECTOR SPDR 800	P	2011-01-13	2011-01-20
SCHWAB PIMCO UNCONSTRAINED 23996	P	2008-11-26	2011-08-04
MSFI FNMA 461000	P	2011-07-01	2011-02-11
MSFI US T NOTE 437000	P	2010-12-15	2011-03-15
MSFI LEGG MASON 18215 718	P	2008-01-09	2011-08-25
MSFI DTD 150000	P	2007-10-11	2011-11-10
MSEQ CALL NLY OCT 11 @ 18 00 -30	P	2011-09-14	2011-10-24
MSEQ CAMECO CORP 1000	P	2010-12-16	2011-01-27
MSEQ EMC CORP 500	P	2011-02-02	2011-06-13
MSEQ HAIN CELESTIAL 500	P	2011-05-05	2011-06-13
MSEQ NYSE 500	P	2011-02-02	2011-02-10
MSEQ PROSPECTUS 800	P	2011-08-31	2011-09-22
MSEQ TOLL BROS 2500	P	2011-05-27	2011-08-01
SCHWAB PIMCO EMERG LOCAL 30000	P	2009-12-30	2011-09-28
MSFI FNMA 400000	P	2011-02-11	2011-08-25
MSFI AT&T 25000	P	2009-01-16	2011-08-25
MSFI LESS MASON SMASH 656 977	P	2008-01-09	2011-11-18
MSFI DTD 29000	P	2009-07-14	2011-11-10
MSEQ APPLE 50	P	2010-06-01	2011-04-07
MSEQ CENTURY LINK 1000	P	2011-05-11	2011-07-20

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
MSEQ EMC CORP1000	P	2011-02-02	2011-08-05
MSEQ HALLIBURTON 1500	P	2011-07-07	2011-08-05
MSEQ NEWMONT MINING 400	P	2010-05-06	2011-01-12
MSEQ PROSHARES 1800	P	2011-11-11	2011-11-21
MSEQ TOLL BROS 1500	P	2011-06-23	2011-08-01
SCHWAB PIMCO TOTAL RETURN FUND 16852	P	2009-02-10	2011-09-28
MSFI FNMA 680000	P	2010-11-05	2011-08-25
MSFI AMERICAN EXPRESS 18000	P	2009-06-25	2011-08-25
MSFI LEGG MASON SMASH 9925 2	P	2007-07-11	2011-02-18
MSFI US TSY BOND 42000	P	2009-02-05	2011-08-25
MSEQ CGMI 50	P	2010-08-12	2011-04-07
MSEQ CENTURY LINK 500	P	2011-05-11	2011-07-28
MSEQ EMC CORP 2000	P	2011-02-09	2011-08-05
MSEQ ILLINOIS TOOL WORKS 1500	P	2010-12-17	2011-04-18
MSEQ NEWMONT MINING 500	P	2010-05-11	2011-01-12
MSEQ QUALCOMM 1200	P	2011-04-26	2011-08-19
MSEQ VERIZON 2000	P	2010-12-29	2011-03-21
SCHWAB PIMCO UNCONSTRAINED 15279	P	2009-02-10	2011-09-28
MSFI FNMA 100000	P	2010-12-20	2011-08-25
MSFI BARRICK GOLD 21000	P	2010-05-21	2011-08-25
MSFI LEGG MASON SMASH 2770 011	P	2007-08-17	2011-02-18
MSFI US TSY NOTE 88000	P	2009-07-22	2011-08-25
MSEQ APPLE 50	P	2010-09-08	2011-04-14
MSEQ CENTURY LINK 500	P	2011-06-01	2011-07-28
MSEQ EMC CORP 1000	P	2011-04-27	2011-08-05
MSEQ ILLINOIS TOOL WORKS 500	P	2011-01-07	2011-04-18
MSEQ NEWMONT MINING 300	P	2010-05-14	2011-01-12
MSEQ CGMI 500	P	2011-06-23	2011-08-19
MSEQ VERIZON 1000	P	2011-02-03	2011-03-21
BII REDEMPTION-499 SHARES	P	2006-04-01	2011-12-28

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
MSFI FNMA 434000	P	2010-12-20	2011-10-20
MSFI CVS 21000	P	2010-05-17	2011-08-25
MSFI LEGG MASON SMASH 1828 421	P	2007-09-20	2011-02-18
MSFI US TSY NOTE 32000	P	2010-02-18	2011-08-25
MSEQ CGMI 150	P	2010-12-16	2011-04-14
MSEQ CERNER CORP 800	P	2010-12-17	2011-01-03
MSEQ EXXON MOBIL 200	P	2011-01-07	2011-08-19
MSEQ INTEL CORP 3000	P	2011-05-04	2011-07-21
MSEQ ORACLE CORP 1600	P	2010-12-09	2011-08-19
MSEQ RANGE 1000	P	2011-09-22	2011-09-26
MSEQ VISA 700	P	2011-04-04	2011-05-23
SPI REDEMPTION	P	2008-06-01	2011-12-31
MSFI FNMA 15000	P	2011-01-27	2011-10-20
MSFI FED NAT MTG 30000	P	2010-02-14	2011-08-25
MSFI LEGG MASON SMASH 18473 038	P	2007-10-11	2011-02-18
MSFI VERIZON 25000	P	2009-02-10	2011-08-25
MSEQ APPLE 100	P	2011-07-21	2011-10-05
MSEQ CGMI 100	P	2010-12-20	2011-01-03
MSEQ FORD 3000	P	2010-10-08	2011-02-02
MSEQ INTEL BUSINESS 300	P	2010-10-08	2011-06-07
MSEQ CGMI 400	P	2010-12-16	2011-08-19
MSEQ SPDR 400	P	2011-09-22	2011-11-11
MSEQ VISA 300	P	2011-04-26	2011-05-23
NEWCASTLE REDEMPTION ADJ	P	2008-07-01	2011-12-31
MSFI FNMA 20000	P	2011-06-07	2011-10-20
MSFI FED NAT MTG 76000	P	2008-10-02	2011-08-25
MSFI LEGG MASON SMASH 16833 296	P	2007-10-11	2011-08-25
MSFI WACHOVIA BANK 24000	P	2009-08-12	2011-08-25
MSEQ VS HIGHEST	P	2011-07-25	2011-10-05
MSEQ CISCO SYS 3000	P	2010-12-29	2011-01-24

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
MSEQ FORD 500	P	2010-11-04	2011-02-02
MSEQ ISHARES 1000	P	2011-03-07	2011-04-04
MSEQ CGMI 600	P	2010-12-20	2011-08-19
MSEQ PROSPECTUS 600	P	2011-09-28	2011-11-11
MSEQ EXXON MOBIL 500	P	2010-06-07	2011-08-19
MSFI FNMA 825000	P	2010-11-05	2011-02-11
MSFI GEN ELECTRIC 25000	P	2008-01-17	2011-08-25
MSFI LEGG MASON SMASH 382 139	P	2007-10-18	2011-08-25
MSEQ NOBLE 2000	P	2011-01-12	2011-01-24
MSEQ CGMI 150	P	2011-09-19	2011-10-15
MSEQ COCA-COLA 600	P	2010-09-01	2011-01-07
MSEQ FORD 500	P	2011-01-07	2011-02-02
MSEQ CALL NJN OCT 11 @ 65 00	P	2011-09-08	2011-09-19
MSEQ CGMI 1000	P	2010-12-20	2011-08-19
MSEQ PROSPECTUS 400	P	2011-10-06	2011-11-11
MSEQ EXXON MOBIL 300	P	2010-06-18	2011-08-19
MSFI FNMA 18000	P	2010-12-08	2011-02-11
MSFI GOLDMAN SACHS 16000	P	2010-03-03	2011-08-25
MSFI LEGG MASON SMASH 2648 305	P	2007-11-19	2011-08-25
MSEQ ALCATEL 7000	P	2011-04-24	2011-06-07
MSEQ APPLE 200	P	2011-07-14	2011-10-06
MSEQ COCA-COLA 300	P	2010-09-08	2011-01-07
MSEQ FORD 1000	P	2011-01-13	2011-02-02
MSEQ L3 COMMUNICATIONS 500	P	2011-05-13	2011-06-07
MSEQ PEOPLES 4000	P	2011-03-02	2011-08-01
MSEQ SPDR DOW JONES 600	P	2011-11-22	2011-11-30
MSEQ LINN ENERGY 400	P	2009-02-12	2011-02-11

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
152,559		148,330	4,229
154,380		162,736	-8,356
128,897		130,540	-1,643
74,961		77,192	-2,231
26,000		32,350	-6,350
5,205		10,107	-4,902
6,276		6,517	-241
44,219		30,344	13,875
80,182		84,406	-4,224
37,636		37,840	-204
39,359		43,314	-3,955
30,999		13,687	17,312
160,632		154,741	5,891
38,384		35,811	2,573
2,929		3,111	-182
865,000		811,460	53,540
10,400		13,066	-2,666
71,137		68,660	2,477
51,843		53,239	-1,396
22,110		15,863	6,247
68,181		65,873	2,308
37,636		37,500	136
9,840		10,655	-815
7,407		7,178	229
28,487		28,917	-430
23,260		24,101	-841
25,291		25,376	-85
15,567		15,633	-66
30,360		31,252	-892
28,455		29,050	-595

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
43,588		48,151	-4,563
48,272		49,759	-1,487
13,636		13,607	29
85,646		76,121	9,525
42,145		35,891	6,254
14,813		11,705	3,108
36,816		35,055	1,761
427,979		427,983	-4
39,892		46,156	-6,264
27,486		26,147	1,339
30,748		31,252	-504
39,324		42,003	-2,679
35,840		26,096	9,744
48,272		52,017	-3,745
27,273		27,652	-379
34,258		33,338	920
14,813		12,588	2,225
133,250		95,585	37,665
68,105		66,906	1,199
450,502		444,985	5,517
14,568		16,580	-2,012
146,441		101,045	45,396
48,150		52,280	-4,130
51,424		55,789	-4,365
21,039		17,392	3,647
46,261		49,920	-3,659
27,273		28,352	-1,079
69,374		67,275	2,099
35,815		31,856	3,959
266,550		227,749	38,801

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
84,351		86,178	-1,827
462,016		447,081	14,935
74,923		82,000	-7,077
156,896		104,788	52,108
48,150		52,800	-4,650
38,657		34,274	4,383
18,409		16,099	2,310
46,261		49,200	-2,939
56,086		49,314	6,772
69,374		64,811	4,563
13,024		13,239	-215
266,550		237,849	28,701
451,899		460,405	-8,506
428,670		423,736	4,934
154,287		169,224	-14,937
210,128		148,096	62,032
1,020			1,020
38,657		38,739	-82
13,149		12,745	404
15,420		17,592	-2,172
18,695		16,528	2,167
36,999		34,480	2,519
49,828		53,345	-3,517
302,950		288,489	14,461
170,182		166,463	3,719
28,708		25,380	3,328
5,643		6,103	-460
40,625		29,726	10,899
16,861		13,278	3,583
37,839		41,436	-3,597

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
22,169		25,490	-3,321
69,185		80,866	-11,681
23,077		22,094	983
77,399		73,152	4,247
29,897		31,335	-1,438
181,950		172,804	9,146
254,391		259,366	-4,975
19,837		18,390	1,447
89,426		96,374	-6,948
49,112		48,169	943
16,861		12,585	4,276
18,861		20,718	-1,857
44,338		53,280	-8,942
78,680		78,230	450
28,846		29,134	-288
57,218		68,672	-11,454
73,019		71,227	1,792
166,950		155,346	11,604
97,070		94,714	2,356
25,282		24,370	912
24,958		26,232	-1,274
97,144		85,284	11,860
16,648		13,184	3,464
18,861		21,558	-2,697
22,169		27,996	-5,827
26,227		27,000	-773
17,308		17,249	59
23,841		27,255	-3,414
36,509		36,360	149
6,323,328		9,427,875	-3,104,547

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
402,715		394,116	8,599
25,142		23,618	1,524
16,474		17,370	-896
34,119		32,366	1,753
49,945		48,259	1,686
76,971		78,110	-1,139
14,307		15,122	-815
68,220		69,840	-1,620
40,613		46,768	-6,155
57,709		67,500	-9,791
53,733		52,450	1,283
5,710,986		6,000,000	-289,014
13,919		13,549	370
41,952		36,128	5,824
166,442		177,895	-11,453
29,409		25,727	3,682
37,191		38,772	-1,581
9,621		9,617	4
46,557		40,830	5,727
49,458		41,656	7,802
10,153		12,158	-2,005
50,551		44,920	5,631
23,028		23,602	-574
161			161
18,558		18,460	98
90,065		77,474	12,591
152,678		162,105	-9,427
27,182		24,524	2,658
18,595		19,916	-1,321
63,419		60,900	2,519

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
7,759		7,940	-181
49,599		46,249	3,350
15,230		19,128	-3,898
75,827		69,600	6,227
35,766		29,839	5,927
786,930		840,324	-53,394
24,958		24,350	608
3,466		3,680	-214
74,763		76,297	-1,534
55,786		61,456	-5,670
37,655		34,278	3,377
7,759		9,094	-1,335
3,390		1,845	1,545
25,383		31,906	-6,523
50,551		46,131	4,420
21,460		18,933	2,527
17,169		17,557	-388
15,842		15,823	19
24,020		25,000	-980
38,779		45,290	-6,511
75,452		71,795	3,657
18,827		17,321	1,506
15,519		18,918	-3,399
40,091		41,784	-1,693
50,182		50,920	-738
72,149		68,711	3,438
15,229		6,395	8,834

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) 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	
			4,229
			-8,356
			-1,643
			-2,231
			-6,350
			-4,902
			-241
			13,875
			-4,224
			-204
			-3,955
			17,312
			5,891
			2,573
			-182
			53,540
			-2,666
			2,477
			-1,396
			6,247
			2,308
			136
			-815
			229
			-430
			-841
			-85
			-66
			-892
			-595

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) 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	
			-4,563
			-1,487
			29
			9,525
			6,254
			3,108
			1,761
			-4
			-6,264
			1,339
			-504
			-2,679
			9,744
			-3,745
			-379
			920
			2,225
			37,665
			1,199
			5,517
			-2,012
			45,396
			-4,130
			-4,365
			3,647
			-3,659
			-1,079
			2,099
			3,959
			38,801

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) 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	
			-1,827
			14,935
			-7,077
			52,108
			-4,650
			4,383
			2,310
			-2,939
			6,772
			4,563
			-215
			28,701
			-8,506
			4,934
			-14,937
			62,032
			1,020
			-82
			404
			-2,172
			2,167
			2,519
			-3,517
			14,461
			3,719
			3,328
			-460
			10,899
			3,583
			-3,597

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) 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	
			-3,321
			-11,681
			983
			4,247
			-1,438
			9,146
			-4,975
			1,447
			-6,948
			943
			4,276
			-1,857
			-8,942
			450
			-288
			-11,454
			1,792
			11,604
			2,356
			912
			-1,274
			11,860
			3,464
			-2,697
			-5,827
			-773
			59
			-3,414
			149
			-3,104,547

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) 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	
			8,599
			1,524
			-896
			1,753
			1,686
			-1,139
			-815
			-1,620
			-6,155
			-9,791
			1,283
			-289,014
			370
			5,824
			-11,453
			3,682
			-1,581
			4
			5,727
			7,802
			-2,005
			5,631
			-574
			161
			98
			12,591
			-9,427
			2,658
			-1,321
			2,519

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) 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	
			-181
			3,350
			-3,898
			6,227
			5,927
			-53,394
			608
			-214
			-1,534
			-5,670
			3,377
			-1,335
			1,545
			-6,523
			4,420
			2,527
			-388
			19
			-980
			-6,511
			3,657
			1,506
			-3,399
			-1,693
			-738
			3,438
			8,834

Form 990PF Part XV Line 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*				
AMERICAN HELLENIC INSTITU 1220 16TH ST NW WASHINGTON,DC 20036	NONE	PUBLIC	SUPPORT OF GREEK CULTURE	10,000
CHILDREN'S TUMOR FOUNDATI95 PINE ST 16TH FL NEW YORK,NY 10005	NONE	PUBLIC	CANCER RESEARCH	250,000
CHILDRENS SPECIALIZED HOS NEW PROVIDENCE ROAD MOUNTAINSIDE,NJ 07092	NONE	PUBLIC	CHILDRENS HOSPITAL	50,000
COLONIAL CROSSROADS CHAPT 695 SPINGFIELD AVE SUMMIT,NJ 07901	NONE	PUBLIC	SUPPORT OF NEEDY	5,000
GREEK AMERICAN NURSING HO 220 FIRST STEET WHEELING,IL 60090	NONE	PUBLIC	CARE OF ELDERLY GREEK AMERICANS	600,000
GREEK ORTHODOX ARCHDIOCES 8 EAST 79TH STREET NEW YORK,NY 10021	NONE	PUBLIC	SUPPORT OF GREEK ORTHODOX RELIGION	1,400,000
HELLENICARE980 NORTH MICHIGAN AVE SU CHICAGO,IL 60611	NONE	PUBLIC	MEDICAL RELIEF FUND	100,000
HOLY TRINITY INTERPAROCHI 336 FIRST STREET WESTFIELD,NJ 07090	NONE	PUBLIC	SUPPORT OF LOCAL CHARITY	2,000
INTERFAITH CENTER OF PHIL 2723 CHESTNUT STREET PHILADELPHIA,PA 19104	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	15,000
ORTHODOX CHRISTIAN MISSIO PO BOX 4319 ST AUGUSTINE,FL 32085	NONE	PUBLIC	SUPPORT OF GREEK ORTHODOX RELIGION	325,000
ORTHODOX CHRISTIAN NETWOR PO BOX 4690 FT LAUDERDALE,FL 33338	NONE	PUBLIC	SUPPORT OF CHRISTIAN RADIO	10,000
OVERLOOK HOSPITAL FOUNDAT 36 UPPER OVERLOOK RD SUMMIT,NJ 07901	NONE	PUBLIC	SUPPORT OF LOCAL HOSPITAL FOUNDATION	250,000
SAGE ELDER CARE290 BROAD STREET SUMMIT,NJ 07091	NONE	PUBLIC	SUPPORT OF AGED	25,000
ST BASIL ACADEMY79 SAINT BASIL ROAD GARRISON,NY 10524	NONE	PUBLIC	SUPPORT OF EDUCATION	100,000
ST ANNAS GREEK ORTHODOXPO BOX 2505 FLEMINGTON,NJ 08822	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	300,000
ST BARBARA GREEK ORHTODO 2200 CHURCH ROAD TOMS RIVER,NJ 08753	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	15,000
ST MICHAELS HOME3 LEHMAN TERRACE YONKERS,NY 10705	NONE	PUBLIC	SUPPORT OF NURSING HOME	10,000
STREETLIGHT MISSIONPO BOX 843 ELIZABETH,NJ 07207	NONE	PUBLIC	SUPPORT OF INNERCITY HOMELESS	10,000
SUMMIT EDUCATION FOUNDATI 14 BEEKMAN TERRACE SUMMIT,NJ 07901	NONE	PUBLIC	SUPPORT OF LOCAL EDUCATION	50,000
SUMMIT YMCA490 SUMMIT AVE SUMMIT,NJ 07901	NONE	PUBLIC	SUPPORT OF YOUTH RECREATION	50,000
THOMAS I GLASSER MEM FUNPO BOX 143 SUMMIT,NJ 07902	NONE	PUBLIC	SUPPORT OF LOCAL SCHOLARSHIP FUND	10,000
TJ MARTELL FOUNDATION555 MADISON AVE NEW YORK,NY 10022	NONE	PUBLIC	CANCER RESEARCH	15,000
ST NICHOLAS & CONSTANTINE HELEN CHU80 LAUREL AVE ROSELAND,NJ 07068	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	50,000
ORTHODOX MISSIONS MEXICO 708 HANBURY DRIVE DES PLAINES,IL 60016	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	200,000
KIMISIS TIS THEOTOKOU GO CHURCH20 HILLCREST ROAD HOLMDEL,NJ 07733	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	942,000
PROTEUS NY INC302A W 12 STREET NEW YORK,NY 10014	NONE	PUBLIC	SUPPORT OF PERFORMING ARTS	20,000
ST NICHOLAS GREEK ORTHODOX CATHEDR301 NORTH PINELLAS AVE TARPON SPRINGS,FL 34689	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	10,000
ST SOPHIA BUILDING FUND900 SOUTH TROOPER ROAD JEFFERSONVILLE,PA 19403	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	10,000
WRITE ON SPORTSPO BOX 833 SOUTH ORANGE,NJ 07079	NONE	PUBLIC	SUPPORT OF CHILDRENS RECREATION	1,000
HOLY TRINITY GOC250 GALLOWS HILL ROAD WESTFIELD,NJ 07090	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	10,000

Form 990PF Part XV Line 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*				
INTERNATIONAL ORTH CHRISTIAN CHARI110 WEST ROAD BALTIMORE,MD 21204	NONE	PUBLIC	SUPPORT OF CHRISTIAM MISSIONS	20,000
PLAINFIELD AREA YMCA518 WATCHUNG AVE PLAINFIELD,NJ 07060	NONE	PUBLIC	CHILDRENS RECREATION	10,000
ST IAKOVOS RETREAT CENTER40 E BURTON PLACE CHICAGO,IL 60610	NONE	PUBLIC	SUPPORT OF GREEK RELIGION	1,000
COMMUNITY BLOOD SERVICES970 LINDWOOD AVE WEST PARAMUS,NJ 07652	NONE	PUBLIC	SUPPORT OF MEDICAL SERVICES	10,000
GOC OF ST THOMAS615 MERCER ST CHERRY HILL,NJ 08002	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	10,000
SUMMIT SPEECH SCHOOL705 CENTRAL AVE SUMMIT,NJ 07974	NONE	PUBLIC	SUPPORT OF CHILDRENS ORGANIZATION	10,000
PARENTS FOR MIDDLE SCHOOL SPORTSPO BOX 525 BERKELEY HEIGHTS,NJ 07922	NONE	PUBLIC	CHILDRENS RECREATION	15,000
ANNUNCIATION GREEK ORTHODOX CHURCH302 WEST 91 STREET NEW YORK,NY 10024	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	50,000
ONE BRIGHT WORLD25 DEFOREST AVE SUMMIT,NJ 07901	NONE	PUBLIC	SUPPORT OF CHILDRENS SCHOOL	5,000
GOC OF THE ASSUMPTIONPO BOX 454 WINDHAM,NY 12496	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	30,000
MORRIS HABITAT FOR HUMANITY 102 IRON MOUNTAIN ROAD MINE HILL,NJ 07803	NONE	PUBLIC	CHRISTIAN HOUSING MINISTRY	10,000
BONDS OF COURAGE561 SPRINGFIELD AVE SUMMIT,NJ 07901	NONE	PUBLIC	MILITARY SUPPORT	5,000
HOLY TRINITY- ST NICHOLAS GOC 1641 RICHMOND AVE STATEN ISLAND,NY 10314	NONE	PUBLIC	SUPPORT OF LOCAL CHURCH	25,000
Total . . . . ▶ **3a**				5,046,000

TY 2011 Accounting Fees Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	57,281			57,281

TY 2011 Compensation Explanation

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Person Name	Explanation
NICHOLAS J BOURAS	
WILLIAM S CRANE	
ANDREW J STAMELMAN	

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2011 Depreciation Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
						26,859			

TY 2011 Investments Corporate Bonds Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Name of Bond	End of Year Book Value	End of Year Fair Market Value
SSB 643-71062	10,868,709	11,471,965
SCHWAB 6047-8811	3,723,767	3,797,111

TY 2011 Investments Corporate Stock Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Name of Stock	End of Year Book Value	End of Year Fair Market Value
499 SHARES BOURAS INDUSTRIES INC		
EQUITIES FUNDS-SCHWAB 6047-8811	7,846,626	8,763,048
EQUITES-SSB 643-27404	1,978,515	2,080,524

TY 2011 Investments Government Obligations Schedule

Name:	NICHOLAS J AND ANNA K BOURAS FOUNDATION INC
EIN:	22-3591803
US Government Securities - End of Year Book Value:	1,792,523
US Government Securities - End of Year Fair Market Value:	1,961,827
State & Local Government Securities - End of Year Book Value:	
State & Local Government Securities - End of Year Fair Market Value:	

TY 2011 Investments - Land Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
OFFICE FURNITURE	118,261	50,256	68,005	68,005
LEASEHOLD IMPROVEMENTS	358,282	63,772	294,510	294,510

TY 2011 Investments - Other Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ALTERNATIVE INVESTMENTS IN LPS	AT COST	5,223,747	5,174,848

TY 2011 Legal Fees Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	50,573			

TY 2011 Other Assets Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ACCRUED INTEREST AND DIVIDENDS	83,115	79,024	79,024
DUE FROM SPI INVESTMENT		5,710,986	5,710,986

TY 2011 Other Expenses Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
COMPUTER EXPENSES	1,208			1,208
LICESES AND PERMITS	30			30
INSURANCE EXPENSE	10,622			10,622
OFFICE EXPENSE	2,266			2,266
TELEPHONE	4,869			4,869
BANK CHARGES	10			10

TY 2011 Other Professional Fees Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	300,936	300,936		
INV MGT FEES PER PINE GROVE K-1	76,306	76,306		
INV FEES FOX HOUND K-1	37	37		
INV FEES BIH K-1	80	80		
INV FEES LINN K-1	3,107	3,107		
INV FEES POWERSHARES K-1	520	520		

TY 2011 Taxes Schedule

Name: NICHOLAS J AND ANNA K BOURAS FOUNDATION INC

EIN: 22-3591803

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL TAXES	100,091			100,091

THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION INC.
EIN: 22-3591803
FORM 4720
PAGE 1, QUESTION B

DETAILED DESCRIPTION AND DOCUMENTATION
OF CORRECTIVE ACTION FOR EXCESS BUSINESS HOLDINGS
REPORTED ON FORM 4720, SCHEDULE C

NICHOLAS J. BOURAS made a gift of 499 shares of common stock of Bouras Industries, Inc. ("BII") (representing 49.9% of the issued and outstanding stock of BII) to The Nicholas J. and Anna K. Bouras Foundation, Inc. (the "Foundation") in April, 2006. The Foundation did not own any shares of BII stock prior to such gift. Nicholas J. Bouras owned the remaining 50.1% of the issued and outstanding BII stock subsequent to such gift. The Foundation is an Internal Revenue Code (the "Code") Section 501(c)(3) tax-exempt private foundation. Nicholas J. Bouras is a disqualified person with respect to the Foundation. Significant efforts were made to sell the stock of BII or assets of BII or its subsidiaries in the years subsequent to the gift of BII stock to the Foundation to enable the Foundation to dispose of its BII stock. However, due to the economy, environmental issues and advancements in the industry which put the metal coating business of BII at a competitive disadvantage, no sale of BII stock or all of the assets of BII or its subsidiaries could be consummated. Further, detail with regard to such efforts are set forth in the Request for Abatement under Section 4962 accompanying this Form 4720.

Code Section 4943 imposes a tax on a private foundation in the event that it has excess business holding in a business enterprise. Code Section 4943(a)(1). Excess business holdings means the amount of stock in a corporation that a private foundation would have to dispose of in order for its remaining holdings to be permitted holdings. Code Section 4943(c)(1). Permitted holdings are generally 20% of the voting stock of a corporation reduced by the percentage of voting stock held by disqualified persons. Code Section 4943(c)(2). In this instance, since a disqualified person owned 50.1% of the voting stock in BII, the Foundation held excess business holdings in the amount of 49.9%. However, since the stock in BII owned by the Foundation was acquired by gift, the Foundation is afforded a five year period to dispose of any excess business holdings without imposition of any tax pursuant to Code Section 4943. Code Section 4943(c)(b). For the reasons more fully described in the Request for Abatement under Section 4962 accompanying this Form 4720, the Foundation was not able to dispose of its BII stock within five years of the gift (i.e., by April, 2011).

However, the excess business holdings of the Foundation under Code Section 4943 by virtue of the Foundation owning 49.9% of the issued and outstanding stock of BII was corrected on December 28, 2011 by the redemption of all of the Foundation's stock in BII for cash. After such redemption, the Foundation no longer owned any shares of BII stock.

BII made an offer to all BII shareholders to redeem their stock subject to the same terms and conditions at fair market value. Each share of BII was valued at $12,672. The Foundation elected to redeem all of its 499 shares of BII stock. Such redemption occurred on December 28, 2011. The Foundation received a cash payment in the amount of $6,323,328 ($12,672 (x) 499 shares = $6,323,328) in redemption of all of its 499 BII shares on December 28, 2011. After such redemption the Foundation owned no BII stock. Attached find the following documents distributed and executed in connection with BII's redemption of the BII stock owned by the

Foundation: (i) Redemption Offer Letter to all BII Shareholders; (ii) Valuation of BII Stock prepared by Wharton Valuation Associates Inc.; (iii) Unanimous Written Consent of the Sole Director and Shareholders of BII authorizing the redemption of BII Stock; (iv) Unanimous Consent of the Sole Member and Trustees of the Foundation authorizing the Foundation to redeem all of its BII Stock; (v) Form of Stock Redemption Agreement sent to BII Shareholders; and (vi) Stock Redemption Agreement executed by the Foundation.

(i)

Redemption Offer Letter to all BII Shareholders

BOURAS INDUSTRIES, INC.
25 Deforest Avenue
Summit, New Jersey 07901

December 20, 2011

To All Shareholders of Bouras Industries, Inc. - As listed on Exhibit A annexed hereto

Re: Stock Redemption Offer Letter

Ladies and Gentlemen:

Bouras Industries, Inc., a New Jersey corporation (the "Corporation"), hereby offers to redeem all of the Corporation's stock owned by you subject to the following terms and conditions:

1. Redemption Price. The Corporation shall pay a redemption price per share based upon the current fair market value of the Corporation as determined by a certain valuation report prepared by Wharton Valuation Associates, Inc., a copy of which is annexed hereto for your reference as Exhibit B. The redemption price shall be paid in full at time of redemption.

2. Closing. The redemption shall close no later than December 31, 2011.

3. Applicable Shares. This redemption offer is open to all shareholders. A participating shareholder must elect redemption for all shares owned by such shareholder. Redemptions of only part of a shareholder's stock are not permitted.

4. Terms and Conditions. The terms and conditions of the redemption shall be as set forth in the certain Stock Redemption Agreement annexed hereto as Exhibit C

If you desire to accept this offer, please sign a copy of the attached Stock Redemption Agreement and then return it to the Corporation. Upon receipt of the signed Stock Redemption Agreement and certificates representing your Shares (duly endorsed in blank or accompanied by an appropriate instrument of transfer), the Corporation will execute the Stock Redemption

All Shareholders of Bouras Industries, Inc.
Re: Stock Redemption Offer Letter
December 20, 2011

Agreement and thereafter close the redemption in accordance with its terms.

If you desire to have your shares redeemed, the Corporation must receive your signed Stock Redemption Agreement and certificates representing your shares no later than December 20, 2011. If your signed Stock Redemption Agreement and certificates representing your shares are not received on or before December 27, 2011, this offer shall be deemed withdrawn and terminated.

New Jersey Statute N.J.S.A. 14A:7-16 prohibits a corporation from redeeming all of its issued and outstanding stock. Accordingly, the Corporation reserves the right to require each shareholder to retain one share of stock in the event that all of the Corporation's shareholders accept this offer with respect to all of the issued and outstanding shares of the Corporation.

Very truly yours,

BOURAS INDUSTRIES, INC.

By: Nicholas J. Bouras

Nicholas J. Bouras
President

All Shareholders of Bouras Industries, Inc.
Re: Stock Redemption Offer Letter
December 20, 2011

EXHIBIT A

List of Shareholders

Shareholder Name and Address	Number of Shares Owned
The Nicholas J. and Anna K. Bouras Foundation, Inc. 25 Deforest Avenue Summit, New Jersey 07901	499
Nicholas J. Bouras 25 Deforest Avenue Summit, New Jersey 07901	501

(ii)

Valuation of BII Stock prepared by Wharton Valuation Associates Inc.

EXHIBIT B

Valuation Report of Wharton Valuation Associates, Inc.

DETERMINATION OF THE
FAIR MARKET VALUE
OF
BOURAS INDUSTRIES, INC.
(Controlling Interest Basis)
AS OF
October 31, 2011

Wharton Valuation Associates, Inc.

WHARTON VALUATION ASSOCIATES, INC.
513 West Mount Pleasant Avenue, Suite 310
Livingston, New Jersey 07039
Telephone (973) 992 - 4979
Facsimile (973) 992 -1128

December 19, 2011

Mr. Nicholas J. Bouras
President
Bouras Industries, Inc.
25 DeForest Avenue
Summit, NJ 07901

Re: Fair Market Valuation of Bouras Industries, Inc. as of October 31, 2011[1]

Dear Mr. Bouras:

We are pleased to submit herewith our determination of the fair market value of Bouras Industries, Inc. on a controlling interest basis, as of October 31, 2011 (the "Valuation Date"). In our opinion, the fair market value of the equity in Bouras Industries, Inc. as of October 31, 2011 was ***12,672,000***[2] (*rounded*). The fair market value of Bouras Industries, Inc. as of October 31, 2011, on a per share basis, based on 1,000 shares issued and outstanding was ***$12,672***[3].

We thank you for your cooperation in making pertinent information available to us.

Respectfully submitted,

WHARTON VALUATION ASSOCIATES, INC.

Andrew L. Shalman

Andrew L. Shalman
Managing Director

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[1] The date closest to the current date for which financial information was available. Bouras Industries' outside accountant has represented to us that there have been no material changes in the Company's financial position, financial operations or longer-term prospects between October 31, 2011 and the current date. Therefore, we are of the opinion that the fair market value of Bouras Industries, Inc., as of the current date is $12,672 per share.

[2] Ibid.

[3] Ibid.

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Introduction and Background

Wharton Valuation Associates, Inc. ("WVA") has undertaken an analysis and appraisal of Bouras Industries, Inc. ("Bouras Industries" or the "Company"), on a per share, controlling interest basis, as of October 31, 2011. It is our understanding that the purpose of this analysis is to determine the fair market value of the equity in Bouras Industries, Inc., on a per share basis. The results of this analysis will be used to offer each shareholder in Bouras Industries, Inc. the opportunity to redeem shares in Bouras Industries, Inc. at the determined fair market value. We further understand that this analysis will be used for compliance with federal income tax purposes.

Qualifications and Certification

The WVA professional staff has the requisite education and experience to undertake this assignment. The two members of the firm's principal professional staff have more than 60 years of combined experience valuing business interests for a wide variety of planning and transactional applications, including estate, gift, and income taxation; mergers, acquisitions and divestitures (including the financial fairness of such transactions); measurement of and testing for the impairment of acquired goodwill under ASC 805 and ASC 350; employee stock ownership plans ("ESOPs"); reorganizations and recapitalizations; determination of collateral value adequacy; initial public securities offerings; private placements of debt and equity securities; litigation involving business and securities valuation issues; and general corporate and shareholder planning.

Neither WVA's principals, nor any of its employees or associates, has any present or contemplated future interest in Bouras Industries that would inhibit their ability to perform this assignment in a totally objective and disinterested fashion. Our fee for performing this analysis was not in any way dependent upon our determination of value. Our analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice. Professional responsibility for this appraisal was assumed by Andrew L. Shaiman, whose qualifications are appended to this report as Attachment No. 1.

To the best knowledge and belief of the principal appraiser, the statements of fact contained in this report are true and correct. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and they are the unbiased professional analyses, opinions and conclusions of the principal appraiser.

During the course of our engagement, we held conversations with David Feather, Executive Vice President of Prior Coated Metals, Inc., and Secretary Treasurer of Bouras Industries, Inc., Nicholas J Bouras, Inc., NJB Deck, Inc., NJB Joist, Inc., and NJB Trucking, Inc. regarding the Company's operations and its historical, current and prospective financial results. We also held conversations with William Crane, CPA, a partner in the accounting firm of Crane, Tonelli, Rosenberg & Co, LLP, outside accountants to Bouras Industries, Inc. We were furnished with certain financial and background information, including audited financial statements for Prior Coated Metals, Inc., a wholly owned subsidiary of Nicholas J. Bouras, Inc., for the fiscal years ended February 28, 2007 through February 28, 2011 and internally prepared financial statements for the eight month period ended October 31, 2011. We were also furnished with internally prepared financial statements for the fiscal year ended February 28, 2011 and the eight-month period ended October 31, 2011 for Bouras Industries, Inc., Nicholas J. Bouras, Inc., NJB Deck, Inc., NJB Trucking, Inc., and NJB Joist, Inc. In addition, we were provided with an independent appraisal of the land and building owned by Prior Coated Metals, Inc., located at 2233 26th Street SW, Allentown, PA, as of August 26, 2010.

History and Nature of the Business

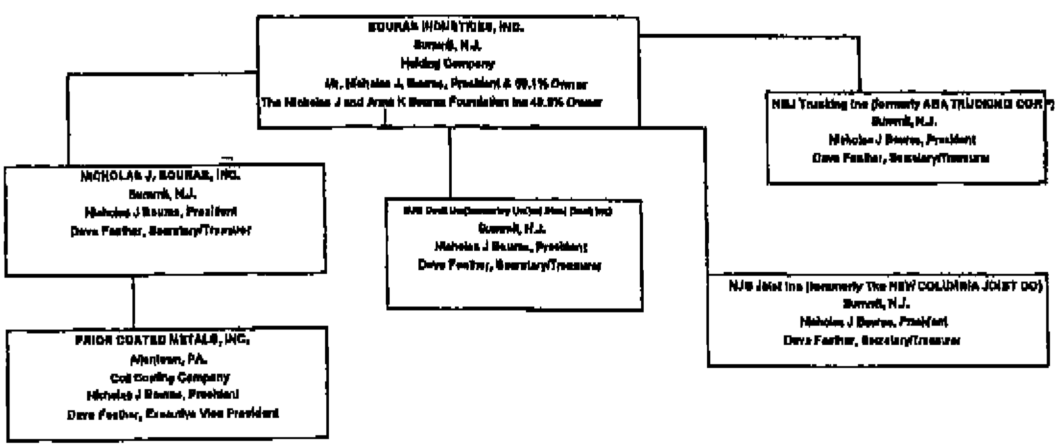
Bouras Industries is a holding company comprised of the following entities:

- Nicholas J. Bouras, Inc. (*A holding company whose primary asset is a 100% ownership interest in Prior Coated Metals, Inc.*)
- Prior Coated Metals, Inc. (*A wholly owned subsidiary of Nicholas J. Bouras, Inc.*)
- NJB Deck, Inc. *(Inactive corporation)*
- NJB Trucking, Inc. *(Inactive corporation)*
- NJB Joist, Inc. *(Inactive corporation)*

The ownership structure of Bouras Industries is illustrated in Chart – 1 below:

CHART – 1

BOURAS INDUSTRIES, INC.
Organization Chart



Exhibits - 1 provide the balance sheets for Bouras Industries, Inc. as of February 28, 2011 and October 31, 2011. Exhibit - 2 provides the FY 2011 income statement and the eight months year to date income statement for Bouras Industries.

A description of each entity owned by Bouras Industries, Inc. follows:

Nicholas J. Bouras, Inc ("NJB"):
Nicholas J. Bouras, Inc. is a holding company with no active operations. In addition to holding 100% of the stock of Prior Coated Metals, Inc., NJB holds cash, prepaid expenses, and a life insurance policy. Exhibit – 3 provides the balance sheets for NJB as of February 28, 2011 and October 31, 2011. Exhibit - 4 provides the FY 2011 income statement and the eight months year to date income statement for NJB.

Prior Coated Metals, Inc.:
Founded over fifty years ago, Prior Metals, Inc. is an Allentown, PA based packager and converter of rolled steel, tin and aluminum. Prior Coated Metals, Inc. specializes in the coating of unfinished rolled steel and aluminum to its customers' specifications. The Company's coating capabilities include Acrylics, Alkyds, Epoxies, Fluorocarbons, Phenolics, Plastisols, Polyesters, Silicone Polyesters and Vinyls. The Company will also slit the finished product to its customers' specification.

Prior Coated Metals' products are used in a variety of products, including radiator covers, office furniture, signage, rain gutters and appliances.

Prior Coated Metals operates a single color production line capable of coating up to 330 feet of product per minute. The Company's production line is deemed to be technologically and economically obsolete because state of the art production capabilities include run rates of up to 1,000 feet per minute with multi color applications.

The Company employs 29 unionized (Steel Workers Union) and 21 salaried employees. The unionized employees work under a three-year bargaining agreement, which commenced in June of 2011. Management characterizes relations with the Union as cordial.

The senior management team of the Company is comprised of the following executives:

- David Feather — Executive Vice President
- Floyd Wood — Vice President and General Manager
- Donald Hagenauer — Vice President, Sales
- Greg Gemgnani — Vice President, Operations

The Company's production facilities and administrative offices are located in two adjoining buildings totaling 102,313 square feet of space in Allentown, PA.

Tables I and II, respectively, (located in the Financial Review Section of this analysis) provide condensed comparative income accounts in actual dollars and in percentages for the fiscal years ending February 28, 2007 through February 28, 2011 and the eight months ended October 31, 2011. Tables III and IV respectively, (located in the Financial Review Section of this analysis) provide the balance sheet accounts in actual dollars, and on a common size basis, for the periods ended February 28, 2007 through February 28, 2011 and the period ended October 31, 2011.

NJB Deck, Inc:
NJB Deck, Inc. is an inactive corporation. Exhibit – 5 provides the balance sheets for NJB Deck, Inc., as of February 28, 2011 and October 31, 2011. Exhibit - 6 provides the fiscal year ("FY") 2011 income statement and the eight months year to date income statement for NJB Deck, Inc.

NJB Trucking, Inc:
NJB Trucking, Inc. is an inactive corporation. Exhibit – 7 provides the balance sheets for NJB Trucking, Inc., as of February 28, 2011 and October 31, 2011. Exhibit - 8 provides the FY 2011 income statement and the eight months year to date income statement for NJB Trucking, Inc.

NJB Joist, Inc:
NJB Joist, Inc. is an inactive corporation. Exhibit – 9 provides the balance sheets for NJB Joist, Inc., as of February 28, 2011 and October 31, 2011. Exhibit - 10 provides the FY 2011 income statement and the eight months year to date income statement for NJB Joist, Inc.

Economic Conditions and Outlook

The values of closely held business interests are influenced by the general economic environment and outlook and, thus, cannot be determined in a vacuum. The value of assets tends to be influenced by interest rates, inflation and the level of economic activity in general. Based importantly upon information contained in the Economic Outlook Update® 3Q 2011 published by Business Valuation Resources, LLC, we have prepared this economic summary and forecast.

The economy experienced solid, though not robust, growth this quarter. Most analysts believe the economy needs to grow faster in order to add more jobs and bring down the unemployment rate. This quarter's economic growth and jobs report—though both far from ideal—were enough to ease many analysts' concerns of a near-term recession.

Consumer spending picked up this quarter and was stronger than expected, but much of the extra spending came from consumers' savings as real disposable personal income declined. The Conference Board, whose Consumer Confidence Index® dropped sharply in August and remained low through September, said its indicators point toward a weak economic environment. The Consumer Confidence Index® has been on a downward trend since February.

High costs for food and energy continue to keep the Consumer Price Index and Producer Price Index elevated, but the Federal Open Market Committee does not consider inflation to be a major concern as energy prices have declined from their peak.

The stock market dropped substantially this quarter as market volatility—indicated by VIX—remained elevated.

The Institute for Supply Management's manufacturing sector index and services sector index declined since last quarter. While the two indexes remain at a level signifying growth, they are barely within the healthy range and indicate that growth is lethargic.

Privately owned housing starts were up this quarter from one year ago, but much of the increase was the result of a surge in multifamily housing as the demand for apartments increased due to many potential buyers being reluctant or unable to purchase a home. Building permits authorized dropped slightly in September, but remain up from this time one year ago. Mortgage rates dropped this quarter and housing affordability conditions continued to improve, but the number of contract failures was double the level from one year ago as many seemingly creditworthy homebuyers were denied mortgages.

The consensus forecasts for GDP, personal consumption, business investments, unemployment, along with other key indicators, remain mostly positive and indicate slow growth ahead.

The U.S. Department of Commerce reported that the nation's economy—as indicated by GDP—increased at an annual rate of 2.5% in the third quarter. The third-quarter 2011 rate is an increase from the previous quarter's rate of 1.3%. The GDP growth this quarter alleviated many economists' fears that another recession may be on the horizon.

Consumer spending grew at a rate of 2.4% during the third quarter of 2011. This rate is a substantial acceleration from the prior quarter's rate of 0.7%. Consumer spending was stronger than most economists had expected, but the extra spending came from personal savings as real disposable personal income declined. Many economists point out that economic growth stemming from an ever-lower personal savings rate is inherently fragile. Overall consumer spending increased 2.0% in 2010 after declining 1.9% in 2009.

Consumer spending on durable goods— items meant to last three or more years, such as computers, cars and machinery—increased at a rate of 4.1% this quarter, compared with a decrease of 5.3% in the previous quarter. Consumer spending on durable goods increased 7.2% in 2010 after decreasing 5.4% in 2009.

Consumer spending on nondurable goods—items such as food and gasoline—increased at a rate of 0.2% this quarter, unchanged from a rate of 0.2% last quarter. Consumer spending on nondurable goods increased 2.9% in 2010 after decreasing 1.8% in 2009.

Service expenditures grew at a rate of 3.0% this quarter, up from 1.9% in the previous quarter. Consumer spending on services increased 0.9% in 2010 after dropping 1.4% in 2009.

Total government spending was unchanged in the third quarter of 2011. Government spending declined at a rate of 0.9% last quarter. Total government spending increased by 0.7% in 2010 after growing 1.7% in 2009. Federal government spending increased at a rate of 2.0% in the third quarter after growing at a rate of 1.9% in the previous quarter. Federal government spending grew 4.5% in 2010 and 6.0% in 2009.

National defense spending increased at rate of 4.8% this quarter after increasing at a rate of 7.0% in the previous quarter. National defense spending grew 3.3% in 2010 and 5.8% in 2009. State and local government spending declined at a rate of 1.3% in the third quarter after decreasing at a rate of 2.8% in the previous quarter. State and local government spending declined 1.8% in 2010 and 0.9% in 2009.

Business spending, also known as nonresidential fixed investment, grew at a rate of 16.3% in the third quarter. This rate is a large increase from the second quarter growth rate of 10.3%. Business spending has now grown for seven consecutive quarters. Business spending increased 4.4% in 2010 but declined 17.8% in 2009. Business spending contributed 1.54 percentage points to the third-quarter GDP.

Business spending on structures (nonresidential structures) grew at an annual rate of 13.3% in the third quarter. Business expenditures on equipment and software increased at an annual rate of 17.4% in the third quarter—the ninth consecutive quarterly increase.

Residential fixed investment, often considered a proxy for the housing market, increased at an annual rate of 2.4% during the third quarter. This comes after an increase of 4.2% in the previous quarter. This quarter's growth in residential fixed investment made a 0.05 percentage point contribution to the third-quarter GDP. Residential fixed investment declined 4.3% in 2010 and 22.2% in 2009.

Business investments in inventories increased at a slower pace in the third quarter than in the previous quarter. Private businesses increased inventories $5.4 billion in the third quarter, following increases of $39.1 billion in the second quarter and $49.1 billion in the first. The decreased pace of real private inventories subtracted 1.08 percentage points from the third-quarter change in GDP.

Net exports provided a boost to growth this quarter, adding 0.22 percentage points to the third-quarter GDP. Exports grew at an annual rate of 4.0% in the third quarter, following last quarter's rate of 3.6%. Exports increased 11.3% in 2010 but declined 9.4% in 2009.

Foreign imports, a subtraction in the calculation of GDP, increased at an annual rate of 1.9% during the third quarter. This follows last quarter's rate of 1.4%. Imports increased 12.5% in 2010 but decreased 13.6% in 2009.

The U.S. Department of Labor reported that the Consumer Price Index (CPI) for All Urban Consumers increased 0.3% in September on a seasonally adjusted basis. This follows an increase of 0.4% in August and 0.5% in July. CPI is a measure of a basket of products and services, including housing, electricity, food, and transportation and is used as a measure of inflation. Increases in energy and food indexes were the main cause of the September CPI increase. The energy index has risen 19.3% over the last year, while the food index has increased 4.7%. Over the last 12 months, CPI has increased 3.9%.

The U.S. Department of Labor reported that the Producer Price Index for Finished Goods increased 0.8% in September on a seasonally adjusted basis, the largest increase since April. PPI was unchanged in August but grew 0.2% in July. PPI is a gauge of inflation in the manufacturing process that can be a precursor to inflation in consumer prices. PPI has climbed 6.9% over the last 12 months.

The Energy Information Administration (EIA) reported that the spot price for a barrel of West Texas Intermediate (WTI) crude oil was $78.93 at the end of the third quarter. This is a sizable decline from $95.30 per barrel at the end of second quarter. A year ago, the spot price for a barrel of WTI crude oil was $79.95. The EIA predicts that the WTI crude oil spot price will average approximately $94.40 per barrel in 2011 and $94.50 per barrel in 2012, up from $79.40 in 2010.

The regular retail gas price (conventional areas) was $3.46 per gallon at the end of the third quarter. This is down slightly from $3.51 per gallon at the end of the second quarter. A year ago, the regular retail gas price was $2.67 per gallon. The EIA expects regular retail gas prices to average $3.56 per gallon in 2011 and $3.54 per gallon in 2012, up from $2.78 in 2010.

The Henry Hub natural gas spot price was $3.46 per million Btu (MMBtu) at the end of the third quarter, down from $4.28 per MMBtu at the end of the second quarter. A year ago, the Henry Hub natural gas spot price was $3.85 per MMBtu. The Henry Hub natural gas spot price is projected to average $4.20 per million Btu (MMBtu) in 2011 and $4.30 per MMBtu in 2012, compared with $4.39 per MMBtu in 2010.

The Federal Open Market Committee (FOMC) met twice during the third quarter of 2011 and retained the federal funds rate of 0% to 0.25% throughout the third quarter. The FOMC anticipates that economic conditions will likely warrant exceptionally low levels for the federal funds rate through at least mid-2013. The FOMC indicated that the economic growth had been considerably less than expected. The committee also acknowledged that labor market conditions have deteriorated, household spending is flat, and the housing sector remains depressed. The Board of Governors of the Federal Reserve left the discount rate unchanged at 0.75%.

The U.S. Department of Labor reported that unemployment—which was 9.2% at the end of last quarter—decreased slightly to 9.1% in September. A total of 103,000 non-farm payroll jobs were added in September, following 57,000 jobs in August and 127,000 jobs in July. September hiring in professional services, health care, and retail were offset by cuts in manufacturing, financial services, and the public sector, especially among public-school jobs.

The Economic Policy Institute determined that a GDP growth rate of 2.5% (the third-quarter rate), if sustained over the next year, is likely insufficient to create enough jobs to reduce the nation's 9.1% unemployment rate.

Disposable personal income increased 0.6% in the third quarter, compared with an increase of 3.9% in the second. Real disposable personal income decreased 1.7% in the third quarter, compared with an increase of 0.6% in the previous quarter. The personal saving rate—saving as a percentage of disposable personal income—was 4.1% in the third quarter, compared with 5.1% in the second.

The Conference Board's *Consumer Confidence Index®*, which had increased in July, plummeted in August and remained low through September. The Conference Board, which surveys 5,000 households, reported that its *Consumer Confidence Index* stood at 46.4 in September—up slightly from 45.2 in August but well below the July reading of 59.2. The Index is still well up from an all-time low of 25.3 seen during the first quarter of 2009. The pessimism that plagued consumers when the index dropped in August carried over into September. Consumers expressed greater concern about their expected earnings, which is not a good sign for future consumer spending. In addition, consumers' assessment of current conditions declined for the fifth consecutive month.

After four consecutive quarters of growth, the major stock indices plummeted this quarter. The Dow Jones Industrial Average (Dow) dropped 12.1% in the third quarter. This was the index's first quarterly drop since the second quarter of 2010. The Dow is down 5.7% year-to-date. The S&P 500 lost 14.3% in the third quarter. The S&P 500 has lost 0.9% over the last 12 months and is down 10.0% year-to-date. The Nasdaq Composite Index (Nasdaq), consisting mainly of high-tech stocks, ended the third quarter with a loss of 14.3%. The Nasdaq gained 2.0% over the last 12 months but is down 9.0% year-to-date. The Russell 2000 Index dropped a massive 22.9% this quarter. The index has declined 4.7% over the last 12 months and has dropped 17.8% year-to-date.

The five-year Treasury ended the third quarter with a yield of 0.96%, down from 1.76% at the end of the previous quarter. The 30-day T-bill rate was 0.02% at the end of the third quarter, up slightly from 0.01% at the end of last quarter. The 10-year Treasury bond yield was 1.92% at the end of the third quarter, down from a yield of 3.18% at the end of the previous quarter. The 20-year Treasury bond yield was 2.66% and the end of the third quarter, down from 4.09% at the end of the previous quarter. Moody's seasoned Aaa and Baa corporate bonds ended the third quarter with a yield of 3.96% and 5.22%, respectively, down from yields of 5.14% and 5.90% at the end of last quarter.

According to the U.S. Census Bureau, privately owned housing starts in September were at a seasonally adjusted annual rate of 658,000. This was 15.0% above the August rate of 572,000 and 10.2% above the September 2010 rate of 597,000. Much of September's gain came from a

51.3% surge in multifamily units, which was a result of the strong demand for apartments as many potential buyers were reluctant or unable to purchase a home. Single-family housing starts increased modestly in September at a rate of 1.7%.

Building permit authorizations for privately owned housing units, considered a better leading indicator of demand for new homes, were at a seasonally adjusted rate of 594,000 in September. This was 5.0% below the August rate of 625,000 but 5.7% above the September 2010 rate of 562,000. Building permits for single-family housing units were at a rate of 417,000 in September—0.2% below the August rate but 3.5% above a year ago. Building permits for multi-family housing units were at a rate of 158,000 in September—down 13.2% from the August rate but up 17.9% from this time one year ago.

The Federal Reserve reported that total industrial production increased 0.2% in September after remaining unchanged in August and increasing 1.1% in July. During the third quarter, total industrial production increased at an annual rate of 5.1%. At 94.2% of its 2007 average, total industrial production for September was 3.2% above its level from a year earlier.

Manufacturing, an industry group included in total industrial production, grew at an annual rate of 4.3% in the third quarter. This is up sharply from a declining rate of 0.1% in the previous quarter. Manufacturing has risen 3.9% over the past 12 months. The output of mines grew at a rate of 11.4% in the third quarter after growing at a rate of 7.7% in the previous quarter. Mining output has increased 5.2% over the past 12 months. The output of utilities grew at a rate of 3.0% in the third quarter after declining at a rate of 4.8% in the previous quarter. The output of utilities has declined 3.6% over the past 12 months.

The National Association of Realtors (NAR) reported that existing-home sales decreased in September after a strong August. NAR finds the housing market to be stable, although at low levels, and sees plenty of room for improvement. Affordability conditions continue to improve and more creditworthy borrowers are trying to purchase homes, but the number of contract failures is double the level from one year ago. As has been the case for some time, many creditworthy homebuyers continue to be denied mortgages.

Existing-home sales, which are completed transactions that include single-family, townhomes, condominiums and co-ops, declined by 3.0% in September but are up 11.3% from one year ago. Homes sales in the Northeast rose 2.6%, while sales in the Midwest declined 2.6%, sales in the South fell 2.6%, and sales in the West dropped 8.8%.

The national median existing-home price for all housing types was $165,400 in September, down 3.5% from a year ago. Distressed homes—foreclosures and short sales generally sold at deep discounts—comprised 30% of home sales in September, compared with 31% in August and 35% a year ago.

Total housing inventory at the end of September fell 2.0% to 3.48 million existing homes available for sale. This represents an 8.5-month supply at the current sales pace, up from an 8.4-month supply in August.

NAR also reported that, according to Freddie Mac, the national average commitment rate for a 30-year, conventional, fixed-rate mortgage fell to a record low of 4.11% in September. This is down from 4.27% in August and below the rate of 4.35% a year ago.

The U.S. Census Bureau reported that the homeownership rate for the third quarter was 66.3%, down a little from the first quarter rate of 66.9% but higher than the rate one year ago of 65.9%. The Census Bureau also reported that national vacancy rates for rental housing in the third quarter were 9.8%, up from 9.2% last quarter. Rental vacancy is down from this time one year ago when the rate was 10.3%. The national vacancy rate for homeowners was 2.4% in the third quarter, down slightly from 2.5% last quarter. Homeowner vacancy is down a bit from this time one year ago when the rate was 2.5%.

Consensus Economics, Inc., publisher of *Consensus Forecasts - USA*, reports that the consensus of U.S. forecasters believes real GDP will increase at a seasonally adjusted annual rate of 1.9% in the fourth quarter of 2011 and 2.1% in the first quarter of 2012. The forecasters expect GDP to grow 1.6% in 2011, 2.1% in 2012, and 3.3% in 2013. In the long term, they report that real GDP will grow by an average annual rate of 2.5% between 2017 and 2021. They forecast personal consumption would increase at a rate of 1.8% in both the fourth quarter of 2011 and the first quarter of 2012. They expect personal consumption to increase 2.1% in 2011 and 2.0% in 2012.

The forecasters believe unemployment will average 9.2% in both the fourth quarter of 2011 and the first quarter of 2012. They believe unemployment will average 9.1% for all of 2011 and 9.0% for 2012.

The forecasters believe the 3-Month Treasury Bill rate will be 0.1% at the end of the fourth quarter of 2011 and will remain at 0.1% through the end of the first quarter of 2012. They believe the 3-Month Treasury Bill rate will be 0.2% at the end of 2012. They forecast that the 10-Year Treasury Bond yield would be 2.5% at the end of the fourth quarter of 2011 and 2.7% at the end of the first quarter of 2012. They believe the 10-Year Treasury Bond yield will rise to 3.5% at the end of 2012.

They also believe consumer prices will rise at a rate of 1.9% in the fourth quarter of 2011 and 2.0% in the first quarter of 2012. They expect consumer prices to increase 3.1% in 2011 and 2.1% in 2012. They expect producer prices to increase at a rate of 1.7% in the fourth quarter of 2011 and 1.2% in the first quarter of 2012. The forecasters anticipate producer prices will rise 6.0% in 2011 and 1.6% in 2012.

The forecasters in the survey believe real disposable personal income will increase at a rate of 1.8% in the fourth quarter of 2011, before increasing at a rate of 1.5% in the first quarter of 2012. They believe real disposable personal income will increase 1.6% in 2011 and 1.9% in 2012.

The Energy Information Administration (EIA) predicts that the West Texas Intermediate WTI crude oil spot price will average approximately $94.40 per barrel in 2011 and $94.50 per barrel in 2012, up from $79.40 in 2010. The EIA expects regular retail gas prices to average $3.56 per gallon in 2011 and $3.54 per gallon in 2012, up from $2.78 in 2010.

The EIA believes the Henry Hub natural gas spot price will average $4.20 per million Btu (MMBtu) in 2011 and $4.30 per MMBtu in 2012, compared with $4.39 per MMBtu in 2010.

The National Association of Realtors® (NAR) believes their Housing Affordability Index (HAI) will increase to 200 during the fourth quarter of 2011 before falling to 198 in the first quarter of 2012 and 175 in the second quarter. NAR believes the HAI will average 193 in 2011 and 176 in 2012.

Financial Review

As indicated above, Exhibits 1 – 10 provide the historical balance sheets and income statements for Bouras Industries, Inc. and each of its wholly owned entities. Our financial review narrative is limited to Prior Coated Metals, Inc., the only active operating entity.

For our analysis of Prior Coated Metals, we analyzed the Company's audited financial statements for the fiscal years ended February 28, 2007 through February 28, 2011 and the internally prepared financial statements for the eight months ended October 31, 2011. Tables I and II, respectively, provide condensed comparative income accounts in actual dollars and in percentages for the fiscal years ending February 28, 2007 through February 28, 2011 and the eight months ended October 31, 2011. Tables III and IV, respectively, provide the balance sheet accounts in actual dollars, and on a common size basis, for the periods ended February 28, 2007 through February 28, 2011 and the period ended October 31, 2011.

Net Sales Performance:

The following table summarizes historical net sales performance for the periods FY 2007 though FY 2011 and the eight months year to date through October 31, 2011:

Period Ending	Net Sales
FY 2007	$26,754,432
FY 2008	$26,193,203
FY 2009	$28,091,792
FY 2010	$20,180,817
FY 2011	$19,954,067
Year to Date October 31, 2011	$14,403,603

According to Company Management, the significant decline in the net sales between FY 2009 and FY 2011 was primarily a result of the downturn in the construction industry. Many of the end uses of the Company's product are construction related (e.g. radiator covers and rain gutters), and therefore the Company's revenues closely tied to the construction industry.

Adjusted[4][5] Earnings Trends:

The following table details historical adjusted operating income, adjusted pretax income and adjusted net income performance

Period	Adj. Operating Income	Adj. Pretax Income
FY 2007	$ 1,718,235[6]	$1,784,241
FY 2008	$ 1,429,936[7,8]	$1,785,971
FY 2009	$ 1,213,655[9]	$1,356,160
FY 2010	<$ 412,809[10,11,12]>	<$ 405,868>
FY2011	<$ 288,435[13]>	<$ 265,594>
YTD	<$ 409,565[14]>	<$ 412,428>

The above table indicates that the adjusted operating income and adjusted pretax income for the Company have been continuously negative for FY 2010, FY 2011 and the year to date through October 31, 2011. The losses sustained by the Company during the past several years were directly attributable to the overall decline in the general economy and more specifically, the decline in new construction. Management has indicated that it does not forecast the remainder of FY 2012 to differ from the first eight months of the year. Management has also indicated that it cannot reasonably forecast the financial operating results for FY 2013 with any degree of confidence.

[4] Adjusted for the reversal of the LIFO inventory adjustment
[5] Adjusted for the elimination of non-recurring expenses
[6] LIFO adjustment of $162,252
[7] LIFO adjustment of <$196,500>
[8] Adjusted for the elimination of a non-recurring expense in the amount of $861,492
[9] LIFO adjustment of $1,309,306
[10] LIFO adjustment of <$1,364,692>
[11] Adjustment for the elimination of the non-recurring pension write off expense of $2,648,431
[12] Adjusted for the elimination of a non-recurring expense in the amount of $861,492
[13] LIFO adjustment of 374,140
[14] LIFO adjustment of $230,000

Balance Sheet Analysis:

On October 31, 2011, the long-term capitalization of Prior Coated Metals, Inc. consisted of shareholders' equity of $8,416,507.

On October 31, 2011, the ratio of current assets to total assets was 66% and the ratio of fixed assets to total asset was 34%.

On October 31, 2011, 2% of total assets were financed by liabilities. Alternatively, 98% of total assets were financed by stockholders' equity.

Overall, on October 31, 2011, Prior Coated Metals, Inc. was in a very strong short term and long term financial position.

TABLE - I

PRIOR COATED METALS, INC.
Historical Statement of Financial Operations
Fiscal Years Ended February 28, 2007 -2011 and the 8 Months Year to Date Ended October 31, 2011
(Dollars)

Fiscal Year Ended February 28,	2007	2008	2009	2010	2011	8 Months 31-Oct-11
Net Sales	$ 26,754,432	$ 26,193,203	$ 28,091,792	$ 20,180,617	$ 19,954,067	$ 14,403,604
Cost of Sales	22,620,082	22,612,204	25,588,897	18,170,499	18,601,831	13,637,044
Gross Profit	4,134,350	3,580,999	2,502,895	2,010,118	1,352,236	766,560
Selling, General & Operating Expenses	2,578,367	2,816,054	2,598,546	4,568,158	2,014,811	1,406,126
Income From Operations	1,555,983	764,945	(95,651)	(2,558,040)	(662,575)	(639,565)
Other Income (Expense):						
Interest Income	335,883	348,508	134,318	3,008	10,129	-
Non-Operating Income	355,806	5,923	6,190	3,933	4,712	-
Management Fees	(600,000)	-	-	-		
Gain on Sale of Asset	-	3,000	2,000	-	8,000	-
Interest Expense	(25,693)	(1,394)	-	-	-	(2,983)
Total Other Income/ (Expense)	66,006	356,035	142,505	6,941	22,841	(2,983)
Income Before Taxes	1,621,989	1,120,980	46,854	(2,551,099)	(639,734)	(642,428)
Income Tax Provision	925,809	429,751	32,864	(609,105)	(186,416)	(316,396)
Net Income	$ 696,180	$ 691,229	$ 13,990	$ (1,941,994)	$ (453,318)	$ (326,032)

Adjustments to Operating Income

Operating Income	1,555,983	764,945	(95,651)	(2,558,040)	(662,575)	(639,565)
+ Write off of Prepaid Pensions	-	-	-	2,046,431	-	-
+ Non-Recurring Officer Compensation	-	861,492	-	861,492	-	-
+/- LIFO Adjustment	162,252	(196,501)	1,309,306	(1,364,892)	374,140	230,000
= Adjusted Operating Income	*1,718,235*	*1,429,936*	*1,213,655*	*(412,609)*	*(288,435)*	*(409,565)*
+ Depreciation	826,705	820,379	773,939	713,097	608,602	394,107
= Adjusted Operating Cash Flow	*2,544,940*	*2,250,315*	*1,987,594*	*300,488*	*320,167*	*(15,458)*

Adjustments to Pretax Income

Pretax Income	1,621,989	1,120,980	46,854	(2,551,099)	(639,734)	(642,428)
+ Write off of Prepaid Pensions	-	-	-	2,046,431	-	-
+ Non-Recurring Officer Compensation	-	861,492	-	861,492	-	-
+/- LIFO Adjustment	162,252	(196,501)	1,309,306	(1,364,892)	374,140	230,000
= Adjusted Pretax Income	*1,784,241*	*1,785,971*	*1,356,160*	*(408,068)*	*(265,594)*	*(412,428)*

TABLE - 5

PRIOR COATED METALS, INC.
Historical Statement of Financial Operations
Fiscal Years Ended February 28, 2007 -2011 and the 8 Months Year to Date Ended October 31, 2011
(Common-Size Basis)

Fiscal Year Ended February 28,	2007	2008	2009	2010	2011	8 Months 31-Oct-11
Net Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Sales	84.5%	86.3%	91.1%	90.0%	93.2%	94.7%
Gross Profit	15.5%	13.7%	8.9%	10.0%	6.8%	5.3%
Selling, General & Operating Expenses	9.6%	10.8%	9.3%	22.6%	10.1%	9.8%
Income From Operations	5.9%	2.9%	-0.3%	-12.7%	-3.3%	-4.4%
Other Income (Expense):						
Interest Income	1.3%	1.3%	0.6%	0.0%	0.1%	0.0%
Non-Operating Income	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Managemen Fees	-2.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Gain on Sale of Asset	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest Expense	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Other Income/ (Expense)	0.2%	1.4%	0.5%	0.0%	0.1%	0.0%
Income Before Taxes	6.1%	4.3%	0.2%	-12.6%	-3.2%	-4.5%
Income Tax Provision	3.5%	1.8%	0.1%	-3.0%	-0.9%	-2.2%
Net Income	2.6%	2.6%	0.0%	-9.6%	-2.3%	-2.3%

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TABLE - III

PRIOR COATED METALS, INC.
Historical Balance Sheets
Fiscal Years Ended February 28, 2006 - 2011 and as of October 31, 2011
(Dollars)

Fiscal Year	2007	2008	2009	2010	2011	October 31, 2011
ASSETS:						
Current Assets:						
Cash	$ 141,591	$ 80,848	$ 3,339,843	$ 3,825,341	$ 953,770	$ 1,001,357
Accounts Receivable (Net)	1,898,209	2,207,283	1,418,540	1,612,812	1,622,202	1,836,138
Inventories - Net	4,414,523	4,030,016	3,698,540	3,074,644	3,644,777	2,729,767
Due from Relatd Parties	7,404,762	8,068,001	-	-	-	-
Prepaid Expenses	169,213	205,445	218,706	190,946	178,288	126,829
Deferred Income Taxes	717,675	1,450,474	1,506,173	496,614	344,864	-
Total Current Assets	14,545,973	16,044,046	10,180,702	9,200,357	6,743,901	5,694,191
Net Fixed Assets	5,580,253	4,829,673	4,301,263	3,706,463	3,268,933	2,916,926
Other Assets:						
Other General Assets	23,710	-	-	-	359,629	-
Intangible Retirement Asset	254,524	-	-	-	-	-
Total Other Assets	278,234	-	-	-	359,629	-
TOTAL ASSETS	$ 20,404,460	$ 20,873,719	$ 14,481,966	$ 12,906,820	$ 10,372,463	$ 8,611,117
LIABILITIES & S/H EQUITY:						
Current Liabilities:						
Accounts Payable - Trade	$ 946,499	$ 761,323	$ 454,994	$ 608,111	$ 784,282	$ 795,115
Current Portion of LT Debt	825,000	-				
Due to Related Parties	-	-	118,103	2,400		
Accrued Income Taxes	384,384	829,576	492,928	126,896	2,800	(313,795)
Deferred Income Taxes						(704,493)
Accrued Expenses & Deferred Taxes	655,988	1,947,366	2,179,272	853,794	843,082	417,763
Total Current Liabilities	2,810,871	3,538,264	3,245,297	1,591,201	1,629,924	194,510
Long Term Liabilities:						
Bonds/Notes Payable	-	-	-	-	-	-
Deferred Income Taxes	406,397	253,911	134,081	19,762	-	-
Total Long Term Liabilities	406,397	253,911	134,081	19,762	-	-
Stockholders' Equity	17,187,192	16,872,853	11,072,590	11,195,857	8,742,539	8,416,507
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$ 20,404,460	$ 20,656,028	$ 14,451,968	$ 12,906,820	$ 10,372,463	$ 8,611,117

TABLE - IV

PRIOR COATED METALS, INC.
Historical Balance Sheets
Fiscal Years Ended February 28, 2006 - 2011 and as of October 31, 2011
(Common-Size Basis)

Fiscal Year	2007	2008	2009	2010	2011	October 31, 2011
ASSETS:						
Current Assets:						
Cash	1%	0%	23%	30%	9%	17%
Accounts Receivable (Net)	8%	11%	10%	12%	18%	21%
Inventories - Net	22%	19%	26%	24%	35%	32%
Due from Related Parties	36%	38%	0%	0%	0%	0%
Prepaid Expenses	1%	1%	2%	1%	2%	1%
Deferred Income Taxes	4%	7%	10%	4%	3%	0%
Total Current Assets	71%	77%	70%	71%	65%	66%
Net Fixed Assets	27%	23%	30%	29%	32%	34%
Other Assets:						
Other General Assets	0%	0%	0%	0%	3%	0%
Intangible Retirement Asset	1%	0%	0%	0%	0%	0%
Total Other Assets	1%	0%	0%	0%	3%	0%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
LIABILITIES & S/H EQUITY:						
Current Liabilities:						
Accounts Payable - Trade	5%	4%	3%	5%	6%	9%
Current Portion of LT Debt	3%	0%	0%	0%	0%	0%
Due to Related Parties	0%	0%	1%	0%	0%	0%
Accrued Income Taxes	2%	4%	3%	1%	0%	-4%
Deferred Income Taxes	0%	0%	0%	0%	0%	-8%
Accrued Expenses & Deferred Taxes	4%	9%	18%	7%	8%	5%
Total Current Liabilities	14%	17%	22%	13%	16%	2%
Long Term Liabilities:						
Bonds/Notes Payable	0%	0%	0%	0%	0%	0%
Deferred Income Taxes	2%	1%	1%	0%	0%	0%
Total Long Term Liabilities	2%	1%	1%	0%	0%	0%
Stockholders' Equity	84%	81%	77%	87%	84%	98%
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	100%	99%	100%	100%	100%	100%

Valuation Analysis

Prior Coated Metals, Inc – Fair Market Valuation Analysis:

Our historical financial analysis of Prior Coated Metals, Inc. indicates that between FY 2010 and the eight months year to date through October 31, 2011, the company suffered continuous operating losses. The adjusted operating loss ranged from <$412,809> in FY 2010 to <$288,435> in FY 2011. The year to date adjusted operating loss was <$409,565>. During this same period, annual adjusted operating cash flow (operating income plus depreciation) ranged from a low of $300,888 in FY 2010 to a high of $320,167 in FY 2011. The eight months year to date through October 31, 2011 adjusted operating cash flow was marginally negative at <$15,458>. In the case of Prior Coated Metals, whose operations are both highly capital intensive and result in significant wear and tear on its machinery and equipment, we believe that operating income is a superior indicator of ongoing earning power than operating cash flow, since depreciation expense is in effect a real expense.

The three-year[15] average annual adjusted operating loss was approximately <$439,000>. Based upon discussions with Management, we determined that although the Company is operated in a cost conscious manner, an estimated $400,000 in annual cost saving could be achieved through increased efficiencies and reduced payroll. The addition of this estimated $400,000 in annual cost-savings to the three-year average annual adjusted operating loss of <$400,000>, results in a *pro forma* average adjusted operating loss of approximately <$39,000>. We further note that the five-year[16] weighted average adjusted operating loss is approximately <$107,000>.

We are of the opinion that given the Company's lack of positive ongoing earning power, as demonstrated by the historical average adjusted operating losses, combined with Management's uncertain financial outlook for the business, there is no intangible asset value (i.e. goodwill) attached to the Company. In the absence of intangible asset value, the fair market value of the Company's net assets on a controlling interest basis is equal to its net liquidation value[17]. The net liquidation value of the Company's assets was determined by adjusting the Valuation Date book value based balance sheet to reflect the followings:

1. Inventory balances were adjusted up by $749,308. This amount represents the difference between the LIFO reserve of $1,909,000 and the costs associated with liquidating the inventory, estimated by Management at approximately 25% of book value or $1,159,692.
2. A deferred tax liability accrual of $299,723 was booked to reflect the tax liability[18] associated with the net inventory write up of $749,308.
3. Net fixed assets, including land and buildings, were adjusted up by $1,026,329. This amount represents the difference between the appraised value of the land and buildings of $3,775,000[19], the estimated market value of the slitter equipment and related tooling of $500,000 and the book value of automobiles of $45,755, reduced by an estimated 10% ($377,500) of the appraised land and building value of $3,775,000, and the net book value of fixed assets. The 10% reduction[20] in the appraised value of land and buildings reflects the estimated diminution in value resulting from the most certain deed restrictions that Management and legal counsel believe would be placed on the property upon sale

[15] Assuming the annualization of the eight month adjusted operating loss of <$409,565>.

[16] Ibid.

[17] In arriving at our determination that the highest valuation for the Company would be realized through an orderly liquidation, we importantly considered that upon a sale of the business, the Company would incur contractually agreed upon change of control expenses of approximately $1.4MM.

[18] At an effective rate of 40%.

[19] The real estate appraiser who undertook the appraisal as of August 26, 2010 has indicated to us that there has been no change in the local market conditions to indicate a change in the appraised value between August 26, 2010 and the Valuation Date (See Exhibit – 11).

[20] Estimate provided by the Company's environmental legal counsel.

resulting from known environmental issues located under the building. Based upon discussions with Management, it was determined that the net book value of all other machinery and equipment, after taking into account the cost of disassembly and removal is zero.

4. A deferred tax liability accrual of $410,532 was booked to reflect the tax liability[21] associated with the fixed asset write up of $1,026,329.
5. Accrued expenses were increased to reflect the estimated wind down expenses and liquidation cost. The wind down expenses and liquidation costs were estimated as follows:

PRIOR COATED METALS, INC.
Estimated Wind Down and Liquidation Expenses

Severance - Salaried Employees	$	475,000
Severance - Union Employees	$	48,000
Shut - Down Costs:		
Supervisor / Management (3 FTE)		150,000
Plant Disassembly (6 employees)		125,800
Benefits @ 25% of Above Two Items)		68,950
Outside Labor & Freight		125,000
Utility Costs		180,000
Real Estate Brokerage Costs		203,850
Legal, Accounting & Other		350,000
Total Wind Down and Liquidation Expenses	$	1,726,600

6. A deferred tax asset accrual of $690,640 was booked to reflect the tax benefit[22] associated with the estimated wind down and liquidation expenses of $1,726,600.

Table – V indicates that the fair market value of Prior Coated Metals, Inc., on a controlling interest basis, based upon the above five detailed adjustments to the October 31, 2011 balance sheet is ***$8,446,000 (rounded).***

[21] At an effective rate of 40%.
[22] At an effective rate of 40%.

Wharton Valuation Associates, Inc.

TABLE - V

PRIOR COATED METALS, INC.
Liquidation Value Balance Sheet
As of October 31, 2011

	Book Value	Adjust to Market		Liquidation Value
ASSETS:				
Current Assets:				
Cash	$ 1,001,357	$ -		$ 1,001,357
Accounts Receivable (Net)	1,835,589	-		1,835,589
Inventories - Net	2,729,767	749,308	(a)	3,479,075
Prepaid Expenses	127,479	-		127,479
Deferred Income Taxes	-	-		-
Total Current Assets	5,694,192	749,308		6,443,500
Net Fixed Assets	2,916,926	1,026,329	(c)	3,943,255
Other Assets:				
Deferred Income Taxes	-	690,840	(e)	690,840
Total Other Assets	-	690,840		690,840
TOTAL ASSETS	$ 8,611,118	$ 2,466,277		$ 11,077,395
LIABILITIES & S/H EQUITY:				
Current Liabilities:				
Accounts Payable - Trade	$ 795,115	-		795,115
Income Taxes Payable	(313,795)	-		(313,795)
Accrued Expenses	417,783	1,726,600	(d)	2,144,383
Total Current Liabilities	899,103	1,726,600		2,625,703
Long Term Liabilities:				
Deferred Income Taxes	(704,493)	710,255	(b)	5,762
Total Long Term Liabilities	(704,493)	710,255		5,762
Stockholders' Equity	8,416,507	29,422		$ 8,445,929
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$ 8,611,117	$ 2,466,277		$ 11,077,394

(a) - Addback LIFO Reserve		
Inventory (Unadjusted)	2,729,767	
+ LIFO Reserve	1,909,000	(x)
= Inventory Value (Adj)	4,638,767	
- Cost to Liquidate (Est at 25% of Inventory BV)	(1,159,692)	(y)
= Adjusted Value	3,479,075	
Net Adjustment	749,308	(x-y)
(b) - 40% of Lifo Reserve + 40% Fixed Asset Gain	(a) * 40% + (c) * 40%	
(c) - Adjustment to Liquidation Value		
Market Value Land & Build	3,775,000	
- Adjustment for Deed Restriction @ 10%	(377,500)	
+ Est. Value of Vehicles @ BV	45,755	
+ Value of Slitter and Related Tooling	500,000	
= Total Market Value	3,943,255	
- Book Value	(2,916,926)	
= Adjustment to Market	1,026,329	
(d) Shut Down Costs and Liquidation Expenses		
Salaried Employment	475,000	
Union Employees	40,000	
Shut - Down Costs:		
Admin	150,000	
Maintenance	125,000	
Benefits	66,950	
Utility Costs	150,000	
Outside Labor & Freight	125,000	
Real Estate Brokerage Costs	203,850	
Legal, Accounting, Other	350,000	
Shut Down Costs	1,725,800	
(e) - Deferred Tax Benefit of Shutdown Costs	(d) * 40%	

Nicholas J. Bouras, Inc. - Fair Market Valuation Analysis:

Nicholas J. Bouras, Inc. is a holding company whose primary asset is its 100% ownership interest in Prior Coated Metals, Inc. Given that Nicholas J. Bouras, Inc. is a holding company with no active operations, the fair market value of the equity of Nicholas J. Bouras Inc. is equal to its' net asset value. The net asset value of Nicholas J. Bouras is determined through the adjustments made to the following consolidating balance sheet:

TABLE - VI

NICHOLAS BOURAS, INC.
Determination of Net Asset Value *(Market Value Basis)*
Consolidating Balance Sheet
(As of October 31, 2011)

	Prior Coated Metals, Inc.	Nicholas Bouras, Inc.	Adjustments / Eliminations	Nicholas Bouras, Inc. Consolidated
ASSETS:				
Current Assets:				
Cash	$ 1,001,357	$ 2,173,982	$ -	$ 3,175,339
Accounts Receivable (Net)	1,835,589	-		1,835,589
Inventories - Net	3,479,075	-		3,479,075
Due from PCM	-	500,000	(500,000)	-
Prepaid Expenses	127,479	303,850	(303,850) *(a)*	127,479
Deferred Income Taxes	-	-	-	-
Total Current Assets	6,443,500	2,977,832	(803,850)	$ 8,617,482
Net Fixed Assets	3,943,255	-	-	3,943,255
Other Assets:				
CSV Life Insurance	-	576,406	54,725 *(b)*	631,131
Investment in PCM		600,000	(600,000)	-
Deferred Income Taxes	690,640	-	-	690,640
Total Other Assets	690,640	1,176,406	(545,275)	1,321,771
TOTAL ASSETS	$ 11,077,395	$ 4,154,238	$ (1,349,125)	$ 13,882,508
LIABILTIES & S/H EQUITY:				
Current Liabilities:				
Accounts Payable - Trade	$ 795,115	$ -	$ (500,000)	$ 295,115
Income Taxes Payable	(313,795)	(500,787)	-	(814,582)
Accrued Expenses	2,144,383	-	39,060 (c)	2,183,443
Total Current Liabilities	2,625,703	(500,787)	(460,940)	$ 1,663,976
Long Term Liabilities:				
Deferred Income Taxes	5,762	-	-	5,762
Total Long Term Liabilities	5,762	-	-	5,762
Stockholders' Equity	8,445,929	4,655,025	(888,185)	$ 12,212,769
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$ 11,077,394	$ 4,154,238	$ (1,349,125)	$ 13,882,507

Footnotes:
(a) - Elimination of prepaid liability insurance deemed to have no economic value.
(b) - Write up of cash surrender policy to value at Valuation Date.
(c) - Booked accrual of deferred tax liability associated gain of $434,000 on redemption of life insurance policy at State income tax rate.

Table – VI indicates the fair market value of the stockholders' equity of Nicholas Bouras Industries, Inc. is ***$12,213,000 (rounded).***

Bouras Industries, Inc. ("BII") – Fair Market Valuation Analysis:

Bouras Industries, Inc. is a holding company whose holdings include the following entities:

- Nicholas J. Bouras, Inc.
- NJB Deck, Inc. *(Inactive Corporation)*
- NJB Trucking, Inc. *(Inactive Corporation)*
- NJB Joist, Inc. *(Inactive Corporation)*

Given that BII is a holding company with no active operations, the fair market value of the equity of BII is equal to its' net asset value. The net asset value of BII is determined through the adjustments made to the following consolidating balance sheet:

TABLE - VII

BOURAS INDUSTRIES, INC.
Determination of Net Asset Value *(Market Value Basis)*
Consolidating Balance Sheet
(As of October 31, 2011)

	Nicholas Bouras, Inc. Consolidated	NJB Deck, Inc.	NJB Trucking, Inc.	NJB Joist, Inc.	Bouras Industries, Inc.	Eliminations / Adjustments	Bouras Industries, Inc. Consolidated
ASSETS:							
Current Assets:							
Cash	$ 3,178,339	$ 254,026	$ 113,869	$ 79,426	$ 6,551	$ -	$ 3,620,212
Accounts Receivable (Net)	1,835,669	-	-	-	-	-	1,835,669
Inventories - Net	3,479,075	-	-	-	-	-	3,479,075
Prepaid Expenses	127,479	192,487	-	54,434	-	(246,921) (a)	127,479
Deferred Income Taxes	-	-	-	-	-	-	-
Total Current Assets	8,617,482	446,515	113,869	133,860	6,551	(246,921)	$ 9,071,355
Net Fixed Assets	3,943,255	-	-	-	-	-	3,943,255
Other Assets:							
CSV Life Insurance	631,131	-	-	-	-	-	631,131
Deferred Income Taxes	690,640	-	-	-	-	-	690,640
Total Other Assets	1,321,771	-	-	-	-	-	1,321,771
TOTAL ASSETS	$ 13,882,508	$ 446,515	$ 113,869	$ 133,860	$ 6,551	$ (246,921)	$ 14,330,381
LIABILITIES & S/H EQUITY:							
Current Liabilities:							
Accounts Payable - Trade	$ 295,115	$ -	$ -	$ -	$ -	$ -	$ 295,115
Income Taxes Payable	(614,582)	(5,019)	240	(20)	(365)	-	(619,746)
Accrued Expenses	2,183,443	-	-	-	-	-	2,183,443
Total Current Liabilities	1,863,976	(5,019)	240	(20)	(365)	-	1,858,812
Long Term Liabilities:							
Deferred Income Taxes	5,762	-	-	-	-	-	5,762
Total Long Term Liabilities	5,762	-	-	-	-	-	5,762
Stockholders' Equity	12,212,769	451,534	113,629	133,880	6,916	(246,921)	$ 12,671,806
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	$ 13,882,507	$ 446,515	$ 113,869	$ 133,860	$ 6,551	$ (246,921)	$ 14,330,380

Footnotes:
(a) - Elimination of prepaid expenses on insurance policies deemed to have *highly speculative* economic value.

The fair market value of Bouras Industries, Inc. is determined to be ***$12,672,000 (rounded).***

Conclusion of Value

Based upon the above analysis, we conclude the fair market value of Bouras Industries, Inc. on a controlling interest basis to be:

= $12,672,000 =
(Rounded)

We further conclude the fair market value of Bouras Industries, Inc., on a per share basis, based on 1,000 shares issued and outstanding to be:

= $12,672.00 =

Exhibits 1 – 11

EXHIBIT - 1

BOURAS INDUSTRIES, INC.
Balance Sheet
As of February 28, 2011 & October 31, 2011

ASSETS:	February 28, 2011	October 31, 2011
Current Assets:		
Cash	$ 6,748	$ 6,551
Other Current Assets	-	-
Prepaid Expenses	-	-
Total Current Assets	6,748	6,551
Other Assets		
CSV of Life Insurance	-	-
Investment in Subsidiaries	6,588,721	6,588,721
Total Other Assets	6,588,721	6,588,721
TOTAL ASSETS	$ 6,595,469	$ 6,595,272
LIABILITIES & EQUITY:		
Current Liabilities:		
Accrued Expenses	$ -	$ -
Federal Income Taxes Payable	-	-
State Income Taxes Payable	(365)	(365)
Total Current Liabilities	(365)	(365)
Stockholders' Equity	6,595,834	6,595,637
TOTAL LIABILITIES & EQUITY	$ 6,595,469	$ 6,595,272

EXHIBIT - 2

BOURAS INDUSTRIES, INC.
Historical Statement of Income
Fiscal Year Ended February 28, 2011 and Eight Months to October 31, 2011

	FY 2011	8 Months YTD to October 31, 2011
Revenue	$ -	$ -
Expenses:		
Bank Service Charges	316	197
State Income Tax Expense	1,780	-
Total Expenses	2,096	197
Other Income/Expenses:		
Dividend Income	6,310,000	-
Total Other Income	6,310,000	
Net Income	$ 6,307,904	$ (197)

EXHBIT - 3

Nicholas J. Bouras, Inc.
Balance Sheet
As of February 28, 2011 & October 31, 2011

ASSETS:	February 28, 2011	October 31, 2011
Current Assets:		
Cash	$ 2,755,528	$ 2,173,982
Due From PCM	-	500,000
Prepaid Expenses	303,850	303,850
Total Current Assets	3,059,378	2,977,832
Other Assets		
CSV of Life Insurance	576,406	631,131
Investment in Subsidiaries	600,000	600,000
Total Other Assets	1,176,406	1,231,131
TOTAL ASSETS	$ 4,235,784	$ 4,208,963
LIABILITIES & EQUITY:		
Current Liabilities:		
Accrued Expenses	$ (1,640)	$ 39,060
Federal Income Taxes Payable	(499,147)	(499,147)
State Income Taxes Payable	25,000	(1,640)
Total Current Liabilities	(475,787)	(461,727)
Stockholders' Equity	4,711,571	4,670,690
TOTAL LIABILITIES & EQUITY	$ 4,235,784	$ 4,208,963

EXHIBIT - 4

NICHOLAS J BOURAS, INC.
Historical Statement of Income
Fiscal Year Ended February 28, 2011 and Eight Months to October 31, 2011

	FY 2011	8 Months YTD to October 31, 2011
Revenue	$ -	$ -
Expenses:		
Back Charges	38,396	
Rent	2,146	1,438
Electric	16	
Payroll Taxes	66	15
Auto Expense	35	
Office Expense	315	882
Postage	3,166	1,519
Telephone	1,809	1,310
Legal	37,828	3,648
Accounting	64,764	30,965
Oher Professional Fees	50,279	16,000
Miscellaneous Taxes	50	50
Corporate Taxes	1,357	
Bank Charges	2,206	225
Interest Expense	382	
Dues, Subscriptions	1,326	707
Insurance	299,553	
Officers Life Insurance	(19,264)	-
Licenses & Permits	72	-
Total Expenses	484,501	56,759
Other Income/Expenses:		
Dividend Income	2,000,159	67
Interest Income	55	147
Rental Income	2,400	-
State Income Taxes	(2,000)	-
Total Other Income	2,000,614	214
Net Income	$ 1,516,113	$ (56,545)

EXHBIT - 5

NJB Deck, Inc.
Balance Sheet
As of February 28, 2011 & October 31, 2011

ASSETS:	February 28, 2011	October 31, 2011
Current Assets:		
Cash	$ 254,552	$ 254,028
Prepaid Expenses	192,487	192,487
Total Current Assets	447,039	446,515
TOTAL ASSETS	$ 447,039	$ 446,515
LIABILITIES & EQUITY:		
Current Liabilities:		
State Income Taxes Payable	(5,019)	(5,019)
Total Current Liabilities	(5,019)	(5,019)
Stockholders' Equity	452,058	451,534
TOTAL LIABILITIES & EQUITY	$ 447,039	$ 446,515

EXHIBIT - 6

NJB DECK, INC.
Historical Statement of Income
Fiscal Year Ended February 28, 2011 and Eight Months to October 31, 2011

	FY 2011	8 Months YTD to October 31, 2011
Revenue	$ -	$ -
Expenses:		
Stationary & Supplies	(119)	
Legal	88,989	
Accounting	8,249	225
Other Professional Fees	1,412	
Miscellaneous Taxes	50	50
Bank Charges	4,090	
Insurance	34,241	
Environmental Expenses	184,158	250
Total Expenses	321,070	525
Other Income/Expenses:		
State Income Taxes	(500)	
Dividend Income	25	-
Total Other Income	(475)	-
Net Income	$ (321,545)	$ (525)

Wharton Valuation Associates, Inc.

EXHBIT - 7

NJB Joist, Inc.
Balance Sheet
As of February 28, 2011 & October 31, 2011

ASSETS:	**February 28, 2011**	**October 31, 2011**
Current Assets:		
Cash	$ 79,873	$ 79,426
Prepaid Expenses	54,434	54,434
Total Current Assets	134,307	133,860
TOTAL ASSETS	**$134,307**	**$ 133,860**
LIABILITIES & EQUITY:		
Current Liabilities:		
State Income Taxes Payable	(20)	(20)
Total Current Liabilities	(20)	(20)
Stockholders' Equity	134,327	133,860
TOTAL LIABILITIES & EQUITY	**$134,307**	**$ 133,840**

EXHIBIT - 8

NJB JOIST, INC.
Historical Statement of Income
Fiscal Year Ended February 28, 2011 and Eight Months to October 31, 2011

	FY 2011	8 Months YTD to October 31, 2011
Revenue	$ -	$ -
Expenses:		
Workers Compensation Premium	55,372	
Legal	26,629	
Accounting	4,699	-
Other Professional Fees	643	
Miscellaneous Taxes	50	50
Corporate Taxes	-	
Insurance	9,749	
Licenses & Permits	34,112	313
Environmental Expenses	461	84
Total Expenses	131,715	447
Other Income/Expenses:		
State Income Taxes	(20)	
Dividend Income	-	-
Total Other Income	(20)	-
Net Income	**$ 131,695**	**$ 447**

EXHBIT - 9

NJB Trucking, Inc.
Balance Sheet
As of February 28, 2011 & October 31, 2011

ASSETS:	February 28, 2011	October 31, 2011
Current Assets:		
Cash	$ 112,562	$ 113,868
Prepaid Expenses	-	-
Total Current Assets	112,562	113,868
TOTAL ASSETS	$ 112,562	$ 113,868
LIABILITIES & EQUITY:		
Current Liabilities:		
State Income Taxes Payable	240	240
Total Current Liabilities	240	240
Stockholders' Equity	112,322	113,628
TOTAL LIABILITIES & EQUITY	$ 112,562	$ 113,868

EXHIBIT - 10

NJB TRUCKING, INC.
Historical Statement of Income
Fiscal Year Ended February 28, 2011 and Eight Months to October 31, 2011

	FY 2011	8 Months YTD to October 31, 2011
Revenue	$ -	$ -
Expenses:		
Bank Charges	264	84
Legal	-	
Accounting	7,389	250
Other Professional Fees		
Miscellaneous Taxes	50	50
Taxes & Penalties	1,027	(1,710)
Insurance	-	
Licenses & Permits	-	-
Environmental Expenses	-	-
Total Expenses	8,730	(1,326)
Other Income/Expenses:		
State Income Taxes	500	20
Dividend Income	-	-
Total Other Income	500	20
Net Income	$ 9,230	$ (1,306)

IMPERIAL REALTY
APPRAISAL LLC

August 30, 2010

Mr. David Feather
Prior Coated Metals
2233 26th Street SW
Allentown, Pennsylvania 18103

RE: "Prior Coated Metals"
102,313 s.f. Manufacturing Building
2233 26th Street SW
City of Allentown, Lehigh County, Pennsylvania
Lehigh County Tax Map Identification: 309NB1, Block 5, Lot 8
Lehigh County Pin #: 549597863155-1
Imperial Realty Appraisal LLC File # 100203

Dear Mr. Feather:

In conformance with your request for an appraisal, please be advised that the above referenced property was inspected and data indicative of "as is"[1] fee simple[2] market value has been assembled for you use in financial planning. The date of value is synonymous with the date of inspection, August 26, 2010. The date of report preparation is August 30, 2010.

Valuation of the non-realty items such as furniture, fixtures and equipment associated with the operation of the business enterprise has not been provided and is considered outside the scope of this appraisal assignment. The appraised property therefore includes the land, site improvements, building and building service systems.

Valuation assumes that the ownership of the subject property includes all rights that may be lawfully owned, that the title to the property is good and marketable and the fee simple ownership is transferable free from all encumbrances except those specified in this report.

The subject is a one story industrial building containing a total gross area of 102,313 square feet presently improved for manufacturing and storage warehouse with a commensurate amount of office. The property is located at 2233 26th Street SW in the City of Allentown, Lehigh County, Pennsylvania and is occupied by Prior Coated Metals.

After reviewing all of the factors that affect value and the reliability of the data used to develop the value indications in this report, it is our opinion that the fee simple market value of the subject property, as of the date of inspection, August 30, 2010, is:

Three Million Seven Hundred Seventy Five Thousand Dollars
($3,775,000)

---

[1] The value of the property appraised in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions or qualifications on the effective date of appraisal.

[2] Fee simple estate is absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

1034 THIRD STREET, WHITEHALL, PA 18052-5431
PHONE 610-266-9265 • FAX 610-266-1571

Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

Andrew L. Shaiman

Andrew L. Shaiman, Managing Director

Statement of Limiting Conditions

This appraisal report has been made with the following general assumptions and limiting conditions:

1. Information furnished by others, upon which all or portions of this report are based, is believed to be reliable, but has not been verified in all cases. No warranty is given as to the accuracy of such information. No audit has been undertaken to verify the accuracy of the information furnished.

2. No responsibility is taken for changes in market conditions, and no obligation is assumed to revise this report to reflect events or conditions which occur subsequent to the date of valuation.

3. Full compliance with all applicable federal, state and local zoning use, environmental and similar laws and regulations is assumed, unless otherwise stated.

4. This report has been prepared only for the purpose stated (i.e., financial reporting) and shall not be used for any other purpose. Neither this report nor any portions thereof (including, without limitation, any conclusions as to value, the identity of Wharton Valuation Associates, Inc., or any individuals signing or associated with this report, or the professional associations or organizations with which they are affiliated) shall be disseminated to third parties by any means without the prior written consent and approval of Wharton Valuation Associates, Inc.

5. Neither Wharton Valuation Associates nor any individuals signing or associated with this report shall be required by reason of this report to give testimony or appear in court or other legal or commercial proceedings, unless specific arrangements therefor have been made.

6. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained for any use which the value estimate contained in this report is based.

7. It is assumed that the Company is in compliance with all federal, state and local environmental regulations. Wharton Valuation Associates, Inc., has made no investigation has been made into the costs associated with environmental issues (if any) that may exist as of the date of valuation. As such, the conclusion of value arrived at in this report does not take into account the costs associated with environmental issues (if any) that may exist as of the date of valuation *(other than those costs accrued by Prior Coated Metals, Inc. on its balance sheet and the estimated 10% dimuntion in value of the land and buildings owned*

by Prior Coated Metals that would result from the addition of a deed restriction on the property).

Attachment No. 1

QUALIFICATIONS

ANDREW L. SHAIMAN

MANAGING DIRECTOR

Prior to founding Wharton Valuation Associates, Inc., Mr. Shaiman was Vice President and Department Manager of Valuation Services for Marine Midland Bank. In that capacity, he was responsible for supervising all business valuation services provided by Marine Midland Bank. These valuation services were provided for mergers and acquisitions, shareholder disputes, litigation support and estate and gift tax planning. His engagements have also included the valuation of such intangible assets as the record library of a major recording company, the newspaper and magazine subscriber lists of nationally distributed publications, and patented and proprietary technology of numerous high technology companies. Mr. Shaiman has served as a valuation expert in legal proceedings involving divorce, commercial fraud, contract disputes, shareholder disputes and fraudulent conveyance claims.

Prior to joining Marine Midland Bank, Mr. Shaiman was a Senior Manager of Business Valuation for the international accounting firm of Touche Ross & Co. In that capacity, he was responsible for technical supervision of valuation assignments conducted by the New York office of Touche Ross and for educational seminars for staff accountants and Partners on valuation related topics. Prior to joining Touche Ross & Company, Mr. Shaiman was a Senior Valuation Consultant with Arthur D. Little Valuation, Inc.

Mr. Shaiman is a graduate of the Wharton School of Business with an MBA in Finance. He is also a *Magna Cum Laude* graduate of Rutgers College, with a BA in Economics where he was awarded highest departmental honors.

Mr. Shaiman has been qualified by the United States Bankruptcy Court and the Superior Court of New Jersey as an "expert" on valuation related issues and has served in that capacity on numerous occasions. He has also served as a "Court Appointed Expert" on valuation disputes. He has also appeared as a distinguished panel member in a program sponsored by the Trial Lawyers Association regarding the direct examination and cross-examination of a valuation expert.

Mr. Shaiman lectures on valuation related topics and provides continuing education seminars on valuation topics for accounting and law firms. Mr. Shaiman is a former officer of the Wharton Business School Club of New Jersey and served on its Board of Directors.

The Nicholas J. and Anna K. Bouras Foundation Inc. 22-3591803
Form 990-PF
Page 1 Part 1 Line 16 (a) (b) (c) and Page 7 Part VIII Line 3
Explanation of legal, accounting and investment advisory fees paid.
2011

William S. Crane, Secretary-Trustee of the Foundation is also a 33.33% partner in Crane, Tonelli, Rosenberg & Co., LLP accountants. Fees paid to this firm for accounting and tax services for 2011 totaled $57,281.

William S. Crane, Trustee is also a 33.33% partner in CTR Financial Group, LLC, a registered investment advisory firm. Investment advisor fees paid for 2011 totaled $206,117. (Annual rate of 50 basis points of assets under management).

Andrew J. Stamelman, Trustee of the foundation is also a partner in the law firm of Riker, Danzig. Fees paid to this firm for legal services were $50,573 for 2011

(iii)

Unanimous Written Consent of the Sole Director and Shareholders of BJI
authorizing the redemption of BII Stock

BOURAS INDUSTRIES, INC.

UNANIMOUS WRITTEN CONSENT OF SOLE DIRECTOR AND SHAREHOLDERS IN LIEU OF MEETING

The undersigned, being the sole Director and all of the Shareholders of Bouras Industries, Inc., a New Jersey corporation (the "Corporation"), hereby waive all notice and dispense with the holding of meetings of the Board of Directors and the Shareholders of the Corporation and by this document hereby adopt the following recitals and resolutions effective as of the date set forth below:

WHEREAS, the Corporation deems it desirable and in the best interests of the Corporation for the Corporation to offer to redeem shares of its stock in accordance with the terms and conditions specified in a certain Stock Redemption Offer Letter annexed hereto as Exhibit A (the "Offer Letter");

WHEREAS, in accordance with the Offer Letter, any shareholder electing to have his or its shares redeemed shall do so in accordance with a certain Stock Redemption Agreement in the form annexed hereto as Exhibit B (the "Stock Redemption Agreement");

NOW, THEREFORE, BE IT RESOLVED, that the Corporation is hereby authorized and directed to make an offer to all of its shareholders to redeem shares of its stock in accordance with the Offer Letter and the Stock Redemption Agreement, such letter being hereby authorized, directed and approved;

FURTHER RESOLVED, that the Corporation is hereby authorized and directed to redeem such shares of its stock as its shareholders may elect to redeem in accordance with the Offer Letter;

FURTHER RESOLVED, that the Corporation is hereby authorized and directed to enter into, execute and deliver the Stock Redemption Agreement with any shareholder that elects to have his or its shares redeemed, such Stock Redemption Agreement being hereby authorized, directed and approved;

FURTHER RESOLVED, that the Corporation's Officers be, and each of them hereby is, authorized and directed to do all acts and things, incur such expenses, and to make, execute and deliver or cause to be made, executed and delivered such instruments, agreements and documents in the name and on behalf of the Corporation as such Officer or Officers may deem necessary, advisable or appropriate in his, her or their sole discretion to effectuate the intent of the foregoing resolutions and to carry out and comply with the terms and conditions of all agreements and other documentation authorized by the foregoing resolutions; the doing of any such act or thing or the execution of any such document, instrument, agreement or certificate to be conclusive evidence of the authorized exercise of the powers conferred by the foregoing resolutions;

IN WITNESS WHEREOF, the undersigned set their hands as of the 20th day of December, 2011.

Nicholas J Bouras

NICHOLAS J. BOURAS, Director

Nicholas J Bouras

NICHOLAS J. BOURAS, Shareholder

THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION, INC, Shareholder

By: Nicholas J. Bouras

Name: Nicholas J. Bouras
Title: President

EXHIBIT A

Form of Redemption Offer Letter

EXHIBIT B

Form of Stock Redemption Agreement

(iv)

Unanimous Consent of the Sole Member and Trustees
of the Foundation authorizing the Foundation to redeem all of its BII Stock

UNANIMOUS WRITTEN CONSENT OF

THE SOLE MEMBER AND

THE BOARD OF TRUSTEES OF

THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION, INC.

The undersigned, being all of the trustees (the "Trustees") and the sole member the "Member") of THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION, INC. (the "Corporation"), hereby adopt by this written consent the following resolutions with the same force and effect as if they had been adopted at duly convened meetings of the Trustees and the Member, and direct that this written consent be filed with the minutes of the proceedings of the Trustees and the Member:

RECITALS

1. The Corporation owns 499 shares (the "Shares") of stock in Bouras Industries Inc. ("BII").

2. It has been proposed that BII offer its shareholders the option of having their shares in BII redeemed by BII, in accordance with the terms and conditions specified in a form of (a) Stock Redemption Offer Letter, substantially in the form attached hereto as Exhibit A (the "Offer Letter") and (b) Redemption Agreement, substantially in the form attached hereto as Exhibit B (the "Redemption Agreement").

3. The undersigned have received and have had an opportunity to review the Redemption Agreement and believe that (a) it would be in the best interest of the Corporation for BII to offer its shareholders the opportunity to have their shares in BII redeemed pursuant to the Offer Letter and Redemption Agreement, and that (b) it would be in the best interest of the Corporation to accept the offer to have the Shares redeemed pursuant to the Offer Letter and Redemption Agreement.

NOW, THEREFORE, IT IS RESOLVED that:

1. The Corporation is authorized to approve, in its capacity as a shareholder of BII, the offer of redemption by BII of the shares in BII that are owned by its current shareholders pursuant to the Offer Letter and Redemption Agreement.

2. The officers of the Corporation are, and each of them acting individually hereby is, authorized, empowered and directed to take any actions necessary or convenient to approve, on behalf of the Corporation, in its capacity as a shareholder of BII, BII's offer of redemption to its shareholders, including, without limitation, voting at any meetings of the shareholders of BII and executing any written consents of the shareholders of BII.

3. The Corporation is hereby authorized and directed to accept the proposed offer by BII to redeem the Shares pursuant to the Offer Letter and Redemption Agreement.

4. The forms, terms and provisions of the Offer Letter and Redemption Agreement, the consummation by the Corporation of the transactions contemplated thereby and the performance by the Corporation of its obligations arising thereunder, are hereby approved, authorized and adopted.

5. The officers of the Corporation are, and each of them acting individually hereby is, authorized, empowered and directed to execute, deliver and receive, in the name and on behalf of the Corporation, the Redemption Agreement, in the form attached hereto (with such modifications as any such officer, in such officer's sole judgment, may approve as necessary and proper, such approval to be conclusively evidenced by the execution and delivery thereof) and such other documents or instruments that are necessary to transfer title to the Shares to BII.

6. Each officer is hereby authorized to do and perform, or cause to be done and performed, all such acts, deeds and things, and to make, execute and deliver, or cause to be made, executed and delivered, all such agreements, undertakings, documents, instruments and certificates, in the name and on behalf of the Corporation, as such individual may approve as being necessary, desirable or appropriate to effectuate or carry out more fully the purpose and intent of the foregoing resolutions, and to incur all such fees and expenses as in the judgment thereof shall be necessary or advisable in order to carry out fully the intent and purposes of the

foregoing resolutions, and in each such case, such action is, when made or taken, to be conclusive evidence of such approval and of the authority therefor hereunder.

7. All actions heretofore taken by any officer of the Corporation prior to the adoption of these resolutions in furtherance of the transactions contemplated by and approved in these resolutions (including, but not limited to, the execution and delivery on behalf of the Corporation of any and all instruments and documents) and all other actions taken in the name of the Corporation thereby, are hereby ratified, confirmed and approved in all respects.

8. This written consent may be executed in any number of counterparts, which together shall constitute one instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned, being the sole Member of the Corporation and all of the Trustees of the Corporation do hereby authorize and consent to the foregoing resolutions, effective as of December 20, 2011.

Nicholas J. Bouras

NICHOLAS J. BOURAS, Trustee and Sole Member

WILLIAM S. CRANE, Trustee

ANDREW J. STAMELMAN, Trustee

IN WITNESS WHEREOF, the undersigned, being the sole Member of the Corporation and all of the Trustees of the Corporation do hereby authorize and consent to the foregoing resolutions, effective as of December 20, 2011.

NICHOLAS J. BOURAS, Trustee and Sole Member

WILLIAM S. CRANE, Trustee

ANDREW J. STAMELMAN, Trustee

Exhibit A

Form of Stock Redemption Offer Letter

See attached.

Exhibit B

Form of Redemption Agreement

See attached.

4182943.2

EXHIBIT C

Stock Redemption Agreement

(v)

Form of Stock Redemption Agreement sent to BII Shareholders

STOCK REDEMPTION AGREEMENT

This STOCK REDEMPTION AGREEMENT (this "Agreement"), dated as of December 20, 2011, by and between THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION, INC., a New Jersey nonprofit corporation, having an address at 25 Deforest Avenue, Summit, New Jersey 07901 (the "Shareholder") and BOURAS INDUSTRIES INC., a New Jersey corporation, having an address at 25 Deforest Avenue, Summit, New Jersey 07901 (the "Company") (each of Shareholder and the Company may be referred to herein as a "Party" and together as the "Parties").

RECITALS

A. By correspondence dated December 20, 2011, the Company made a bona fide offer to each shareholder of the Company to redeem each share of common stock in the Company owned by each such shareholder on the same terms and conditions and on a uniform basis.

B. The Shareholder currently owns 499 shares of common stock in the Company which represents 49.9% of the issued and outstanding stock of the Company (the "Shares").

C. The Company desires to redeem the Shares from the Shareholder upon the terms and conditions set forth below (the "Redemption").

D. Subsequent to the execution of this Agreement, Shareholder will neither possess, whether legally, beneficially or otherwise, any stock or other ownership interest in the Company.

NOW, THEREFORE, in consideration of the recitals, the respective representations, warranties and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Redemption of the Shares.**

1.1 Redemption. The Shareholder hereby agrees to tender, transfer, assign and deliver the Shares to the Company for redemption by the Company and the Company hereby agrees to acquire and redeem the Shares at the Closing (as defined below) free and clear of all liens, claims and encumbrances. The closing of the Redemption shall take place on December 28, 2011 (the "Closing"). At Closing, the Shareholder shall deliver to the Company certificates representing the Shares duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company. If the Shareholder has lost the certificates representing the Shares, he or she shall submit to the Company, in advance of the Closing, an affidavit of lost stock certificate substantially in the form attached hereto as Exhibit A (the "Affidavit"). Following its receipt of the Affidavit, the Company shall issue to Shareholder a certificate representing the Shareholder's Shares (the "Replacement Certificate"). At Closing, the Shareholder shall deliver to the Company the Replacement Certificate duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company.

1.2 Redemption Price. The redemption price (the "Redemption Price") for the Shares shall be Six Million Three Hundred Twenty-Three Thousand Three Hundred Twenty-Eight Dollars ($6,323,328) (which is $12,672 per share of common stock of the Company being redeemed), which the Shareholder and the Company agree shall be full consideration for and constitute fair market value for the Shares. The Redemption Price represents the fair market value of the Shares, as determined by the valuation report, prepared by Wharton Valuation Associates, Inc. dated December 19, 2011 (the "Valuation Report"). The Redemption Price shall be paid by the Company on the date of the Closing by wire transfer(s) of immediately available federal funds pursuant to the instructions provided by the Shareholder as set forth on Exhibit B attached hereto, provided that the Shareholder has delivered to the Company certificates representing the shares or the Replacement Certificate, in each instance duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company.

1.3 Entire Stock Interest. The Shareholder acknowledges that this Redemption is intended to redeem all of the Shareholders ownership interests in the Company. In the event that the actual number of shares owned by the Shareholder differs from the number of shares recited in preamble B above, this Agreement shall be deemed amended to reflect the correct number of shares owned by the Shareholder. If any such discrepancy results in the Shareholder holding a different percentage of the issued and outstanding stock of the Company than the percentage specified in preamble B above, the Redemption Price shall be adjusted to reflect the correct percentage of the Company's value as set forth in the Valuation Report. The Shareholder and the Company shall execute such written amendments and take any such other actions as shall be necessary to effectuate any of the foregoing adjustments.

2. **Shareholder's Representations and Warranties.** Shareholder hereby represents and warrants to the Company that:

2.1. Ownership of Shares. The Shareholder owns all of the Shares, both legally and beneficially, free and clear of any and all liens, mortgages, security interests, pledges, restrictions, charges, encumbrances and claims of any nature whatsoever.

2.2. Authority. The Shareholder has the right to deliver, tender, transfer, and assign the Shares to the Company pursuant to this Agreement, to enter into this Agreement and to carry out the transactions herein contemplated. This Agreement and all other documents executed by the Shareholder in connection herewith constitute the legal, valid and binding obligations of the Shareholder.

2.3. Disclosure. Shareholder is familiar with the Company, its assets, liabilities, fiscal affairs, operations and value, is aware of the ramifications of the Redemption of the Shares contemplated hereby. Shareholder is satisfied that the consideration it is receiving for the Shares is fair and just and not less than fair market value and Shareholder has not received or relied upon any representation as to fair market value from the Company. Without limiting the generality of the foregoing, Shareholder is familiar with and has consented to the terms of the Redemption, and acknowledges and agrees that following receipt of the Redemption Price, the Shareholder shall thereafter not receive any post-closing payments under or in connection with the Redemption or otherwise from the Company.

2.4. Materiality. Neither this Agreement nor any statement or document furnished or to be furnished to the Company pursuant hereto or in connection with this Agreement, contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances in which they are made not misleading.

2.5. No Violations. The execution, delivery and performance by the Shareholder of this Agreement does not contravene any law, governmental rule, regulation or order applicable to the Shareholder; does not and will not contravene any provision of, or constitute a default under any indenture, mortgage, contract or other instrument or order, writ, injunction or decree to which the Shareholder is a party or by which it or any of its assets are bound; and will not result in the imposition of a lien upon the assets pursuant to the terms of any agreement or instrument to which the Shareholder is a party or by which it is bound.

2.6. Consents. To the best of Shareholder's knowledge, no consent, approval or authorization of any third party is required in connection with the execution, delivery and performance of this Agreement.

2.7. Survival. These warranties and representations shall survive the closing of this Agreement and remain in full force and effect.

3. **Company's Representations and Warranties.** The Company hereby represents and warrants to Shareholder that:

3.1. Authority. The Company has the legal right and power to enter into this Agreement and to carry out the transactions herein contemplated. This Agreement and all other documents executed by the Company in connection herewith constitute the legal, valid and binding obligations of the Company, enforceable in accordance with their terms.

3.2. Corporate Authorization. This Agreement, the execution and delivery hereof by Company, payment of the Redemption Price to the Shareholder and the performance by Company of its obligations and undertakings hereunder have been duly and validly authorized by all necessary corporate action. No consent or approval of any other person to the consummation of any of the transactions contemplated hereby by Company is required.

3.3. Materiality. Neither this Agreement nor any statement or document furnished or to be furnished to the Shareholder pursuant hereto or in connection with this Agreement, contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances in which they are made, not misleading.

3.4. No Violations. The execution, delivery and performance by Company of this Agreement is not inconsistent with and will not violate its Certificate of Incorporation, bylaws, or other governing documents; does not contravene any law, governmental rule, regulation or order applicable to Company; does not and will not contravene any provision of, or constitute a default under any indenture, mortgage, contract or other instrument or order, writ, injunction or decree to which Company is a party or by which it or any of its assets are bound.

3.5. Insufficient Funds. If, at the closing, and after paying the Redemption Price, the Company would be unable to pay its debts as they came due in the usual course of its business or the Company's total assets would be less than its total liabilities, then the Company shall take such action which, in the opinion of counsel for the Company, will be legally permissible to enable the Company to pay its debts as they come due and to increase its total assets or decrease its total liabilities, such that its total assets are not less than its total liabilities.

3.6. Consents. To the best of Company's knowledge, no consent, approval or authorization of any third party is required in connection with the execution, delivery and performance of this Agreement.

3.7. Survival. These warranties and representations shall survive the Closing and remain in full force and effect.

4. **No Broker or Commission Due.** Neither the Shareholder nor the Company have dealt with any broker, finder or similar party, and no broker, finder or similar party is entitled to a commission in connection with this Agreement or the transactions contemplated herein.

5. **Miscellaneous.**

5.1. Assignment; Binding Effect; Amendment. This Agreement and the rights of the Parties hereunder may not be assigned (except by operation of law) and shall be binding upon and shall inure to the benefit of the successors of the Parties hereto. This Agreement, upon execution and delivery, constitutes a valid and binding agreement of the Parties enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by all Parties hereto.

5.2. Third Party Beneficiary. The Parties agree that no person or entity shall be a third party beneficiary to this Agreement.

5.3. Entire Agreement. This Agreement is the final, complete and exclusive statement and expression of the agreement among the Parties with relation to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

5.4. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument when delivered to the other Party.

5.5. Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in U.S. mail, addressed to the Party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier or by delivering the same in person to such Party at the address set forth above.

5.6. Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the New Jersey, without giving effect to any choice or conflict of law provision or rule. The Parties agree that any legal action with respect to this Agreement which may be brought in a court of competent jurisdiction will be brought solely in the state and federal courts located in the State of New Jersey and each Party submits itself to the jurisdiction of such courts.

5.7. No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any Party as a result of any breach or default by any other Party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach of default occurring before or after that waiver.

5.8. Captions. The headings of this Agreement are inserted for convenience only, shall not constitute a part of this Agreement or be used to construe or interpret any provision hereof.

5.9. Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the Parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

5.10. Further Assurances. The Parties agree (i) to furnish upon request to each other such further information, (ii) to execute and deliver to each other such other documents, and (iii) to do such other acts and things, all as the other parties may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first set forth above.

BOURAS INDUSTRIES INC.

By: Nicholas J. Bouras
Name: Nicholas J. Bouras
Title: President

THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION, INC.

By: Nicholas J. Bouras
Name: Nicholas J. Bouras
Title: President

(vi)

Stock Redemption Agreement executed by the Foundaton

STOCK REDEMPTION AGREEMENT

This STOCK REDEMPTION AGREEMENT (this "Agreement"), dated as of December __, 2011, by and between THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION, INC., a New Jersey nonprofit corporation, having an address at 25 Deforest Avenue, Summit, New Jersey 07901 (the "Shareholder") and BOURAS INDUSTRIES INC., a New Jersey corporation, having an address at 25 Deforest Avenue, Summit, New Jersey 07901 (the "Company") (each of Shareholder and the Company may be referred to herein as a "Party" and together as the "Parties").

RECITALS

A. By correspondence dated December 20, 2011, the Company made a bona fide offer to each shareholder of the Company to redeem each share of common stock in the Company owned by each such shareholder on the same terms and conditions and on a uniform basis.

B. The Shareholder currently owns 499 shares of common stock in the Company which represents 49.9% of the issued and outstanding stock of the Company (the "Shares").

C. The Company desires to redeem the Shares from the Shareholder upon the terms and conditions set forth below (the "Redemption").

D. Subsequent to the execution of this Agreement, Shareholder will neither possess, whether legally, beneficially or otherwise, any stock or other ownership interest in the Company.

NOW, THEREFORE, in consideration of the recitals, the respective representations, warranties and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Redemption of the Shares.**

1.1 Redemption. The Shareholder hereby agrees to tender, transfer, assign and deliver the Shares to the Company for redemption by the Company and the Company hereby agrees to acquire and redeem the Shares at the Closing (as defined below) free and clear of all liens, claims and encumbrances. The closing of the Redemption shall take place on December ____, 2011 (the "Closing"). At Closing, the Shareholder shall deliver to the Company certificates representing the Shares duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company. If the Shareholder has lost the certificates representing the Shares, he or she shall submit to the Company, in advance of the Closing, an affidavit of lost stock certificate substantially in the form attached hereto as Exhibit A (the "Affidavit"). Following its receipt of the Affidavit, the Company shall issue to Shareholder a certificate representing the Shareholder's Shares (the "Replacement Certificate"). At Closing, the Shareholder shall deliver to the Company the Replacement Certificate duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company.

1.2 Redemption Price. The redemption price (the "Redemption Price") for the Shares shall be Six Million Three Hundred Twenty-Three Thousand Three Hundred Twenty-Eight Dollars ($6,323,328) (which is $12,672 per share of common stock of the Company being redeemed), which the Shareholder and the Company agree shall be full consideration for and constitute fair market value for the Shares. The Redemption Price represents the fair market value of the Shares, as determined by the valuation report, prepared by Wharton Valuation Associates, Inc. dated December 19, 2011 (the "Valuation Report"). The Redemption Price shall be paid by the Company on the date of the Closing by wire transfer(s) of immediately available federal funds pursuant to the instructions provided by the Shareholder as set forth on Exhibit B attached hereto, provided that the Shareholder has delivered to the Company certificates representing the shares or the Replacement Certificate, in each instance duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company.

1.3 Entire Stock Interest. The Shareholder acknowledges that this Redemption is intended to redeem all of the Shareholders ownership interests in the Company. In the event that the actual number of shares owned by the Shareholder differs from the number of shares recited in preamble B above, this Agreement shall be deemed amended to reflect the correct number of shares owned by the Shareholder. If any such discrepancy results in the Shareholder holding a different percentage of the issued and outstanding stock of the Company than the percentage specified in preamble B above, the Redemption Price shall be adjusted to reflect the correct percentage of the Company's value as set forth in the Valuation Report. The Shareholder and the Company shall execute such written amendments and take any such other actions as shall be necessary to effectuate any of the foregoing adjustments.

2. **Shareholder's Representations and Warranties.** Shareholder hereby represents and warrants to the Company that:

2.1. Ownership of Shares. The Shareholder owns all of the Shares, both legally and beneficially, free and clear of any and all liens, mortgages, security interests, pledges, restrictions, charges, encumbrances and claims of any nature whatsoever.

2.2. Authority. The Shareholder has the right to deliver, tender, transfer, and assign the Shares to the Company pursuant to this Agreement, to enter into this Agreement and to carry out the transactions herein contemplated. This Agreement and all other documents executed by the Shareholder in connection herewith constitute the legal, valid and binding obligations of the Shareholder.

2.3. Disclosure. Shareholder is familiar with the Company, its assets, liabilities, fiscal affairs, operations and value, is aware of the ramifications of the Redemption of the Shares contemplated hereby. Shareholder is satisfied that the consideration it is receiving for the Shares is fair and just and not less than fair market value and Shareholder has not received or relied upon any representation as to fair market value from the Company. Without limiting the generality of the foregoing, Shareholder is familiar with and has consented to the terms of the Redemption, and acknowledges and agrees that following receipt of the Redemption Price, the Shareholder shall thereafter not receive any post-closing payments under or in connection with the Redemption or otherwise from the Company.

2.4. Materiality. Neither this Agreement nor any statement or document furnished or to be furnished to the Company pursuant hereto or in connection with this Agreement, contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances in which they are made not misleading.

2.5. No Violations. The execution, delivery and performance by the Shareholder of this Agreement does not contravene any law, governmental rule, regulation or order applicable to the Shareholder; does not and will not contravene any provision of, or constitute a default under any indenture, mortgage, contract or other instrument or order, writ, injunction or decree to which the Shareholder is a party or by which it or any of its assets are bound; and will not result in the imposition of a lien upon the assets pursuant to the terms of any agreement or instrument to which the Shareholder is a party or by which it is bound.

2.6. Consents. To the best of Shareholder's knowledge, no consent, approval or authorization of any third party is required in connection with the execution, delivery and performance of this Agreement.

2.7. Survival. These warranties and representations shall survive the closing of this Agreement and remain in full force and effect.

3. **Company's Representations and Warranties**. The Company hereby represents and warrants to Shareholder that:

3.1. Authority. The Company has the legal right and power to enter into this Agreement and to carry out the transactions herein contemplated. This Agreement and all other documents executed by the Company in connection herewith constitute the legal, valid and binding obligations of the Company, enforceable in accordance with their terms.

3.2. Corporate Authorization. This Agreement, the execution and delivery hereof by Company, payment of the Redemption Price to the Shareholder and the performance by Company of its obligations and undertakings hereunder have been duly and validly authorized by all necessary corporate action. No consent or approval of any other person to the consummation of any of the transactions contemplated hereby by Company is required.

3.3. Materiality. Neither this Agreement nor any statement or document furnished or to be furnished to the Shareholder pursuant hereto or in connection with this Agreement, contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances in which they are made, not misleading.

3.4. No Violations. The execution, delivery and performance by Company of this Agreement is not inconsistent with and will not violate its Certificate of Incorporation, bylaws, or other governing documents; does not contravene any law, governmental rule, regulation or order applicable to Company; does not and will not contravene any provision of, or constitute a default under any indenture, mortgage, contract or other instrument or order, writ, injunction or decree to which Company is a party or by which it or any of its assets are bound.

3.5. Insufficient Funds. If, at the closing, and after paying the Redemption Price, the Company would be unable to pay its debts as they came due in the usual course of its business or the Company's total assets would be less than its total liabilities, then the Company shall take such action which, in the opinion of counsel for the Company, will be legally permissible to enable the Company to pay its debts as they come due and to increase its total assets or decrease its total liabilities, such that its total assets are not less than its total liabilities.

3.6. Consents. To the best of Company's knowledge, no consent, approval or authorization of any third party is required in connection with the execution, delivery and performance of this Agreement.

3.7. Survival. These warranties and representations shall survive the Closing and remain in full force and effect.

4. **No Broker or Commission Due**. Neither the Shareholder nor the Company have dealt with any broker, finder or similar party, and no broker, finder or similar party is entitled to a commission in connection with this Agreement or the transactions contemplated herein.

5. **Miscellaneous.**

5.1. Assignment; Binding Effect; Amendment. This Agreement and the rights of the Parties hereunder may not be assigned (except by operation of law) and shall be binding upon and shall inure to the benefit of the successors of the Parties hereto. This Agreement, upon execution and delivery, constitutes a valid and binding agreement of the Parties enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by all Parties hereto.

5.2. Third Party Beneficiary. The Parties agree that no person or entity shall be a third party beneficiary to this Agreement.

5.3. Entire Agreement. This Agreement is the final, complete and exclusive statement and expression of the agreement among the Parties with relation to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

5.4. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument when delivered to the other Party.

5.5. Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in U.S. mail, addressed to the Party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier or by delivering the same in person to such Party at the address set forth above.

5.6. Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the New Jersey, without giving effect to any choice or conflict of law provision or rule. The Parties agree that any legal action with respect to this Agreement which may be brought in a court of competent jurisdiction will be brought solely in the state and federal courts located in the State of New Jersey and each Party submits itself to the jurisdiction of such courts.

5.7. No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any Party as a result of any breach or default by any other Party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach of default occurring before or after that waiver.

5.8. Captions. The headings of this Agreement are inserted for convenience only, shall not constitute a part of this Agreement or be used to construe or interpret any provision hereof.

5.9. Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the Parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

5.10. Further Assurances. The Parties agree (i) to furnish upon request to each other such further information, (ii) to execute and deliver to each other such other documents, and (iii) to do such other acts and things, all as the other parties may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first set forth above.

BOURAS INDUSTRIES INC.

COPY

By:____________________________

Name: Nicholas J. Bouras
Title: President

THE NICHOLAS J. AND ANNA K. BOURAS FOUNDATION, INC.

COPY

By:____________________________

Name: Nicholas J. Bouras

Title: President

EXHIBIT A

AFFIDAVIT OF LOSS OF STOCK CERTIFICATE

STATE OF NEW JERSEY)
) SS.:
COUNTY OF__________)

Nicholas J. Bouras, President of The Nicholas J. and Anna K. Bouras Foundation, Inc. (the "Stockholder"), of full age, being sworn according to law upon oath, deposes and says:

1. The Stockholder is the sole and absolute owner of 499 shares of the common stock (the "Shares") of Bouras Industries Inc., a New Jersey corporation (the "Company").

2. The original certificate representing the Shares (the "Stock Certificate") has been lost or destroyed since it was issued to the Stockholder. The Stockholder has made a diligent, careful and thorough search of all its files and financial records, and the Stock Certificate still has not been found. The certificate number of the Stock Certificate is not known.

3. The Stockholder has not endorsed, sold, transferred, assigned or pledged the Shares or the Stock Certificate or in any way divested itself, or been divested, of the ownership of the Stock Certificate.

4. The Stockholder is making and presenting this affidavit in proof of the loss of the Stock Certificate.

5. If the Stockholder locates the Stock Certificate, it will return such certificate to the Corporation at its principal business office for cancellation.

[Signature Page Follows]

THE NICHOLAS J. AND ANNA K.
BOURAS FOUNDATION, INC.

COPY

By:______________________________
Name: Nicholas J. Bouras

Title: President

Sworn to and subscribed before me
this ______ day of _______, 2011.

____

[Signature Page to Affidavit of Lost Stock Certificate]

EXHIBIT B

Wire Instructions

STOCK REDEMPTION AGREEMENT

This STOCK REDEMPTION AGREEMENT (this "Agreement"), dated as of December __, 2011, by and between NICHOLAS J. BOURAS, an individual, having an address at 25 Deforest Avenue, Summit, New Jersey 07901 (the "Shareholder") and BOURAS INDUSTRIES INC., a New Jersey corporation, having an address at 25 Deforest Avenue, Summit, New Jersey 07901 (the "Company") (each of Shareholder and the Company may be referred to herein as a "Party" and together as the "Parties").

RECITALS

A. By correspondence dated December 20, 2011, the Company made a bona fide offer to each shareholder of the Company to redeem each share of common stock in the Company owned by each such shareholder on the same terms and conditions and on a uniform basis.

B. The Shareholder currently owns 501 shares of common stock in the Company which represents 50.1% of the issued and outstanding stock of the Company (the "Shares").

C. The Company desires to redeem the Shares from the Shareholder upon the terms and conditions set forth below (the "Redemption").

D. Subsequent to the execution of this Agreement, Shareholder will neither possess, whether legally, beneficially or otherwise, any stock or other ownership interest in the Company.

NOW, THEREFORE, in consideration of the recitals, the respective representations, warranties and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Redemption of the Shares.**

1.1 Redemption. The Shareholder hereby agrees to tender, transfer, assign and deliver the Shares to the Company for redemption by the Company and the Company hereby agrees to acquire and redeem the Shares at the Closing (as defined below) free and clear of all liens, claims and encumbrances. The closing of the Redemption shall take place on December ____, 2011 (the "Closing"). At Closing, the Shareholder shall deliver to the Company certificates representing the Shares duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company. If the Shareholder has lost the certificates representing the Shares, he or she shall submit to the Company, in advance of the Closing, an affidavit of lost stock certificate substantially in the form attached hereto as Exhibit A (the "Affidavit"). Following its receipt of the Affidavit, the Company shall issue to Shareholder a certificate representing the Shareholder's Shares (the "Replacement Certificate"). At Closing, the Shareholder shall deliver to the Company the Replacement Certificate duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company.

1.2 Redemption Price. The redemption price (the "Redemption Price") for the Shares shall be Six Million Three Hundred Forty-Eight Thousand Six Hundred Seventy-Two Dollars (6,348,672) (which is $12,672 per share of common stock of the Company being redeemed), which the Shareholder and the Company agree shall be full consideration for and constitute fair market value for the Shares. The Redemption Price represents the fair market value of the Shares, as determined by the valuation report, prepared by Wharton Valuation Associates, Inc. dated December 19, 2011 (the "Valuation Report"). The Redemption Price shall be paid by the Company on the date of the Closing by wire transfer(s) of immediately available federal funds pursuant to the instructions provided by the Shareholder as set forth on Exhibit B attached hereto, provided that the Shareholder has delivered to the Company certificates representing the shares or the Replacement Certificate, in each instance duly endorsed in blank or accompanied by an appropriate instrument of transfer necessary to vest title to the Shares in the Company.

1.3 Entire Stock Interest. The Shareholder acknowledges that this Redemption is intended to redeem all of the Shareholders ownership interests in the Company. In the event that the actual number of shares owned by the Shareholder differs from the number of shares recited in preamble B above, this Agreement shall be deemed amended to reflect the correct number of shares owned by the Shareholder. If any such discrepancy results in the Shareholder holding a different percentage of the issued and outstanding stock of the Company than the percentage specified in preamble B above, the Redemption Price shall be adjusted to reflect the correct percentage of the Company's value as set forth in the Valuation Report. The Shareholder and the Company shall execute such written amendments and take any such other actions as shall be necessary to effectuate any of the foregoing adjustments.

2. **Shareholder's Representations and Warranties.** Shareholder hereby represents and warrants to the Company that:

2.1. Ownership of Shares. The Shareholder owns all of the Shares, both legally and beneficially, free and clear of any and all liens, mortgages, security interests, pledges, restrictions, charges, encumbrances and claims of any nature whatsoever.

2.2. Authority. The Shareholder has the right to deliver, tender, transfer, and assign the Shares to the Company pursuant to this Agreement, to enter into this Agreement and to carry out the transactions herein contemplated. This Agreement and all other documents executed by the Shareholder in connection herewith constitute the legal, valid and binding obligations of the Shareholder.

2.3. Disclosure. Shareholder is familiar with the Company, its assets, liabilities, fiscal affairs, operations and value, is aware of the ramifications of the Redemption of the Shares contemplated hereby. Shareholder is satisfied that the consideration it is receiving for the Shares is fair and just and not less than fair market value and Shareholder has not received or relied upon any representation as to fair market value from the Company. Without limiting the generality of the foregoing, Shareholder is familiar with and has consented to the terms of the Redemption, and acknowledges and agrees that following receipt of the Redemption Price, the Shareholder shall thereafter not receive any post-closing payments under or in connection with the Redemption or otherwise from the Company.

2.4. Materiality. Neither this Agreement nor any statement or document furnished or to be furnished to the Company pursuant hereto or in connection with this Agreement, contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances in which they are made not misleading.

2.5. No Violations. The execution, delivery and performance by the Shareholder of this Agreement does not contravene any law, governmental rule, regulation or order applicable to the Shareholder; does not and will not contravene any provision of, or constitute a default under any indenture, mortgage, contract or other instrument or order, writ, injunction or decree to which the Shareholder is a party or by which it or any of its assets are bound; and will not result in the imposition of a lien upon the assets pursuant to the terms of any agreement or instrument to which the Shareholder is a party or by which it is bound.

2.6. Consents. To the best of Shareholder's knowledge, no consent, approval or authorization of any third party is required in connection with the execution, delivery and performance of this Agreement.

2.7. Survival. These warranties and representations shall survive the closing of this Agreement and remain in full force and effect.

3. **Company's Representations and Warranties.** The Company hereby represents and warrants to Shareholder that:

3.1. Authority. The Company has the legal right and power to enter into this Agreement and to carry out the transactions herein contemplated. This Agreement and all other documents executed by the Company in connection herewith constitute the legal, valid and binding obligations of the Company, enforceable in accordance with their terms.

3.2. Corporate Authorization. This Agreement, the execution and delivery hereof by Company, payment of the Redemption Price to the Shareholder and the performance by Company of its obligations and undertakings hereunder have been duly and validly authorized by all necessary corporate action. No consent or approval of any other person to the consummation of any of the transactions contemplated hereby by Company is required.

3.3. Materiality. Neither this Agreement nor any statement or document furnished or to be furnished to the Shareholder pursuant hereto or in connection with this Agreement, contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances in which they are made, not misleading.

3.4. No Violations. The execution, delivery and performance by Company of this Agreement is not inconsistent with and will not violate its Certificate of Incorporation, bylaws, or other governing documents; does not contravene any law, governmental rule, regulation or order applicable to Company; does not and will not contravene any provision of, or constitute a default under any indenture, mortgage, contract or other instrument or order, writ, injunction or decree to which Company is a party or by which it or any of its assets are bound.

3.5. Insufficient Funds. If, at the closing, and after paying the Redemption Price, the Company would be unable to pay its debts as they came due in the usual course of its business or the Company's total assets would be less than its total liabilities, then the Company shall take such action which, in the opinion of counsel for the Company, will be legally permissible to enable the Company to pay its debts as they come due and to increase its total assets or decrease its total liabilities, such that its total assets are not less than its total liabilities.

3.6. Consents. To the best of Company's knowledge, no consent, approval or authorization of any third party is required in connection with the execution, delivery and performance of this Agreement.

3.7. Survival. These warranties and representations shall survive the Closing and remain in full force and effect.

4. **No Broker or Commission Due**. Neither the Shareholder nor the Company have dealt with any broker, finder or similar party, and no broker, finder or similar party is entitled to a commission in connection with this Agreement or the transactions contemplated herein.

5. **Miscellaneous.**

5.1. Assignment; Binding Effect; Amendment. This Agreement and the rights of the Parties hereunder may not be assigned (except by operation of law) and shall be binding upon and shall inure to the benefit of the successors of the Parties hereto. This Agreement, upon execution and delivery, constitutes a valid and binding agreement of the Parties enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by all Parties hereto.

5.2. Third Party Beneficiary. The Parties agree that no person or entity shall be a third party beneficiary to this Agreement.

5.3. Entire Agreement. This Agreement is the final, complete and exclusive statement and expression of the agreement among the Parties with relation to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

5.4. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument when delivered to the other Party.

5.5. Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in U.S. mail, addressed to the Party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier or by delivering the same in person to such Party at the address set forth above.

5.6. Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the New Jersey, without giving effect to any choice or conflict of law provision or rule. The Parties agree that any legal action with respect to this Agreement which may be brought in a court of competent jurisdiction will be brought solely in the state and federal courts located in the State of New Jersey and each Party submits itself to the jurisdiction of such courts.

5.7. <u>No Waiver</u>. No delay of or omission in the exercise of any right, power or remedy accruing to any Party as a result of any breach or default by any other Party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach of default occurring before or after that waiver.

5.8. <u>Captions</u>. The headings of this Agreement are inserted for convenience only, shall not constitute a part of this Agreement or be used to construe or interpret any provision hereof.

5.9. <u>Severability</u>. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the Parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

5.10. <u>Further Assurances</u>. The Parties agree (i) to furnish upon request to each other such further information, (ii) to execute and deliver to each other such other documents, and (iii) to do such other acts and things, all as the other parties may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first set forth above.

BOURAS INDUSTRIES INC.

By: COPY

Name: Nicholas J. Bouras
Title: President

COPY

NICHOLAS J. BOURAS

EXHIBIT A

AFFIDAVIT OF LOSS OF STOCK CERTIFICATE

STATE OF NEW JERSEY)
) SS.:
COUNTY OF_____________)

Nicholas J. Bouras (the "Stockholder"), of full age, being sworn according to law upon oath, deposes and says:

1. The Stockholder is the sole and absolute owner of 501 shares of the common stock (the "Shares") of Bouras Industries Inc., a New Jersey corporation (the "Company").

2. The original certificate representing the Shares (the "Stock Certificate") has been lost or destroyed since it was issued to the Stockholder. The Stockholder has made a diligent, careful and thorough search of all his files and financial records, and the Stock Certificate still has not been found. The certificate number of the Stock Certificate is not known.

3. The Stockholder has not endorsed, sold, transferred, assigned or pledged the Shares or the Stock Certificate or in any way divested himself, or been divested, of the ownership of the Stock Certificate.

4. The Stockholder is making and presenting this affidavit in proof of the loss of the Stock Certificate.

5. If the Stockholder locates the Stock Certificate, he will return such certificate to the Corporation at its principal business office for cancellation.

[Signature Page Follows]

COPY

NICHOLAS J. BOURAS

Sworn to and subscribed before me
this ______ day of ______, 2011.

____

[Signature Page to Affidavit of Lost Stock Certificate]

EXHIBIT B

Wire Instructions

EXHIBIT A

AFFIDAVIT OF LOSS OF STOCK CERTIFICATE

STATE OF NEW JERSEY)
) SS.:
COUNTY OF__________)

Nicholas J. Bouras, President of The Nicholas J. and Anna K. Bouras Foundation, Inc. (the "Stockholder"), of full age, being sworn according to law upon oath, deposes and says:

1. The Stockholder is the sole and absolute owner of 499 shares of the common stock (the "Shares") of Bouras Industries Inc., a New Jersey corporation (the "Company").

2. The original certificate representing the Shares (the "Stock Certificate") has been lost or destroyed since it was issued to the Stockholder. The Stockholder has made a diligent, careful and thorough search of all its files and financial records, and the Stock Certificate still has not been found. The certificate number of the Stock Certificate is not known.

3. The Stockholder has not endorsed, sold, transferred, assigned or pledged the Shares or the Stock Certificate or in any way divested itself, or been divested, of the ownership of the Stock Certificate.

4. The Stockholder is making and presenting this affidavit in proof of the loss of the Stock Certificate.

5. If the Stockholder locates the Stock Certificate, it will return such certificate to the Corporation at its principal business office for cancellation.

[Signature Page Follows]

THE NICHOLAS J. AND ANNA K.
BOURAS FOUNDATION, INC.

COPY

By:____________________________
Name: Nicholas J. Bouras

Title: President

Sworn to and subscribed before me
this ______ day of _______, 2011.

____

[Signature Page to Affidavit of Lost Stock Certificate]

THE NICHOLAS J. AND ANNA K.
BOURAS FOUNDATION, INC.
EIN: 22-3591803
FORM 4720
REQUEST FOR ABATEMENT UNDER SECTION 4962

The Nicholas J. and Anna K. Bouras Foundation, Inc. (the "Foundation") hereby requests abatement/nonassessment pursuant to Internal Revenue Code (the "Code") Section 4962 of the tax imposed by Section 4943 with regard to certain excess business holding of the Foundation. As discussed in detail in the Attachment to Form 4720, Page 1, Question B, the Foundation received a gift of 499 shares of common stock of Bouras Industries, Inc. ("BII") from Nicholas J. Bouras in April, 2006. The Foundation did not own any stock of BII prior to such gift. After the gift, the Foundation owned 49.9% of the issued and outstanding voting common stock of BII. BII has no other class of stock other than common stock. Nicholas J. Bouras owns the remaining 50.1% of the voting common stock of BII. Nicholas J. Bouras is a disqualified person with respect to the Foundation.

Code Section 4943 provides for a tax on a private foundation if it has excess business holdings. Excess business holdings is generally defined as voting stock of a corporation owned by a private foundation in excess of 20%, but reduced by any voting stock in the same corporation owned by a disqualified person. Code Section 4943(c). A private foundation is afforded five years to dispose of any stock obtained by gift without incurring any tax pursuant to Code Section 4943. Code Section 4943(c)(6). Further, a private foundation may request an additional five years to dispose of stock obtained by gift, and if an extension is granted, the private foundation would have ten years from the date of the gift to dispose of the stock and not incur the tax pursuant to Code Section 4943. Code Section 4943(c)(7). Such an extension request must be submitted prior to the close of the initial five year period. Code Section 4943(c)(7)(B). Pursuant to the rules set forth above, the Foundation could dispose of its 499 shares of BII common stock by April, 2011 without any imposition of tax pursuant to Code Section 4943.

During the five year period from April, 2006 through April, 2011, significant efforts were made to dispose of the BII stock owned by the Foundation. However, there was no market for the sale of such stock. Similarly, significant efforts were made to dispose of the assets of BII or its subsidiaries. This disposition would in turn enable the Foundation to dispose of its stock since BII could be liquidated once all BII assets were sold. BII owned a number of subsidiaries (the assets of BII consisted of the stock it owned in such subsidiaries). An organizational chart for BII and its subsidiaries is attached as Schedule A. As described in more detail below, in 2007 BII agreed to sell most of its business assets to CMC Steel Group ("CMC"). During the course of conducting due diligence in connection with the purchase CMC discovered certain environmental issues with regard to one of BII's subsidiaries Prior Coated Metals, Inc. ("PCM"). Therefore, CMC did not purchase the assets of PCM. CMC executed a term sheet which sets forth the assets that it proposes to purchase. The term sheet included the business assets of all the subsidiaries of BII other than PCM. Such term sheet is available upon request. CMC ultimately purchased the business assets of all BII subsidiaries other than PCM. Subsequent to such sale, BII actively sought purchasers for PCM. As described in detail below, BII identified and had discussions with four other potential purchasers of PCM during the five year period subsequent to the gift of BII stock to the Foundation. However, those sales were not consummated due to a number of issues including the downturn in the United States economy that commenced in 2008, the environmental issues of PCM and increased competition and corresponding lower revenue of PCM due to its manufacturing process being outdated and less utilized by its customers. Therefore, despite significant efforts BII has been unable to sell the assets or stock of PCM, which would have allowed for the liquidation of BII and the disposition of the Foundation's BII stock.

The Foundation intended to submit a request for the five year extension to dispose of the BII stock afforded by Code Section 4943(c)(7). However, the Foundation did not realize that the request for such extension must be made prior to the end of the initial five year period set forth in Code Section 4943. Therefore, it immediately explored possible options to dispose of its stock in BII by the end of 2011 (i.e., the first year for which the Code Section 4943 tax may be applicable). After thoroughly exploring its options, the Foundation determined that the best option available was to redeem its BII stock as more fully described in the attachment to Form 4720, Page 1, Question B. Such redemption occurred on December 28, 2011. Subsequent to the redemption, the Foundation owned no BII stock.

The Foundation hereby requests an abatement/nonassessment pursuant to Code Section 4962 of any tax that may be imposed pursuant to Code Section 4943.

Code Section 4962 provides that a qualified first tier tax will be abated/not assessed if the act (or failure to act) giving rise to liability for tax under Code Section 4943 was due to reasonable cause and not to willful neglect and there is a correction during the correction period. Code Sections 4962(a), 4962(b). A qualified first tier tax includes the tax imposed by Code Section 4943(a). Code Sections 4962(b); 4963(a). A correction of excess business holdings occurs when the amount of excess business holdings is reduced to zero. Codes Sections 4963(d); 4943. The correction period with regard to excess business holdings commences on the first day on which there are excess business holdings and ends 90 days after the date of mailing of the notice of deficiency with respect to the additional tax imposed as a result of the excess business holdings. Code Section 4963(e). Since the Foundation disposed of all its excess business holdings on December 28, 2011 and no notice of deficiency was issued in connection with such excess business holding prior to such time, the Foundation corrected the issue giving rise to the qualified first tier tax in question during the correction period. Further, as demonstrated below, the Foundation's inability to dispose of the BII stock it owned was due to reasonable cause and/not due to willful neglect.

As noted above, BII was a closely held corporation and there was no market readily available to sell BII stock. Diligent efforts were undertaken to attempt to sell the stock of BII or the stock or assets of its wholly owned subsidiaries. Such efforts resulted in identifying a purchaser for the assets of BII's subsidiaries in 2007. However, the assets of PCM were not included in the sale because the purchaser had experienced environmental issues with other coating businesses in the past and did not want to purchase the assets of PCM due to such experience. The assets of all of BII's subsidiaries other than PCM were sold to CMC in 2007 as described above. However, since PCM's assets were not sold and there was no market to sell BII or PCM's stock, the BII stock owned by the Foundation could not be disposed of at that time.

Subsequent to the asset sale to CMC described above, diligent efforts were made to sell the stock of BII or PCM or the assets of PCM. However, due to environmental issues of PCM, the deterioration of the economy and the single line steel coating industry, there were very few perspective purchasers and no sale was able to be consummated. The following is a summary of the potential purchasers in addition to CMC that were identified during the five years following the gift of BII stock to the Foundation and why the sale to such potential purchasers was not consummated.

1. The Jordon International Company 2007.

The Jordon International Company ("Jordon") executed an Acquisition Term Sheet dated September 21, 2007 for the purchase of PCM's assets. Jordon was a long time customer of PCM. Jordon sold steel to PCM for PCM's steel coating business. PCM then sold a portion of the coated steel to Jordon. Jordon conducted due diligence with regard to such purchase over the months following execution of the term sheet. Jordon and PCM exchanged due diligence requests and responses during such time. Copies of the documentation noted above are available upon request. During the course of due diligence certain environmental issues were identified by Jordon's environmental consultant. Therefore, Jordon decided not to purchase the assets of PCM.

2. NCI Group, Inc. – 2008.

NCI Group, Inc. ("NCI") is a public company that has a coating business similar to that of PCM. NCI signed a confidentiality agreement in connection with the potential acquisition of PCM or its assets and began due diligence in connection with such potential acquisition. However, by mid 2008 the economy began a significant decline which ultimately lead to a recession. As a result, NCI had no further interest in acquiring PCM. Copies of documentation regarding the above are available upon request. The United States economic turndown that began in 2008 had a significant negative impact on the ability of BII to sell PCM subsequent to the failed acquisition by NCI.

3. William Dagiantis – 2008.

Mr. Dagiantis owned and operated a painting business. Mr. Dagiantis signed a Confidentiality Agreement dated October 2, 2008 in connection with a possible acquisition of PCM or its assets. A copy of the Confidentiality Agreement is available upon request. It was ultimately determined that Mr. Dagiantis did not have the financial ability to consummate the purchase.

4. Management – 2010.

After all potential transactions identified for the sale of PCM or its assets (as described above) were exhausted, a sale to the management team of PCM was pursued. Significant efforts were made to sell PCM or its assets to PCM's long time management team. However, due to the decline in the economy and the lack of profitability of PCM, the management team was not able to obtain financing and the sale was not consummated. An outline of a preliminary proposal that was discussed with PCM management is available upon request.

As demonstrated above, all possible options to sell the stock of BII or its subsidiaries or the assets of BII's subsidiaries were pursued subsequent to the gift of BII stock to the Foundation.

However, due to certain external factors beyond the control of BII or the Foundation, the sale of such stock or all such assets could not be consummated. Such factors included the economic downtown of the United States and the deterioration in demand for single line coated steel (the product sold by PCM). Therefore, the inability of the Foundation to dispose of its BII stock within five years of the gift to it was due to reasonable cause and not willful neglect. As set forth above, all other criteria pursuant to Code Section 4962 for abatement/non-assessment of the tax pursuant to Code Section 4943 have been satisfied. Therefore any potential tax on the Foundation under Code Section 4943 should be abated/not assessed.

SCHEDULE A

Organizagional Chart