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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 , and ending

Name of foundation: THE COTTONWOOD FOUNDATION

A Employer identification number: 36-4156747

Number and street (or P O box number if mail is not delivered to street address): C/O BBH TR CO NA, 140 BROADWAY

Room/suite:

B Telephone number: 212-493-8000

City or town, state, and ZIP code: NEW YORK, NY 10005

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 939,578.

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

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc, received	15,495.		N/A	
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	17,704.	17,704.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	53,244.			
	b Gross sales price for all assets on line 6a 190,597.				
	7 Capital gain net income (from Part IV, line 2)		53,244.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	376.	0.		STATEMENT 2
	12 Total. Add lines 1 through 11	86,819.	70,948.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	2,800.	0.		2,800.
	c Other professional fees STMT 4	3,782.	3,782.		0.
	17 Interest				
	18 Taxes STMT 5	1,272.	336.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	28.	3.		25.
	24 Total operating and administrative expenses. Add lines 13 through 23	7,882.	4,121.		2,825.
	25 Contributions, gifts, grants paid	40,000.			40,000.
	26 Total expenses and disbursements Add lines 24 and 25	47,882.	4,121.		42,825.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	38,937.			
	b Net investment income (if negative, enter -0-)		66,827.		
	c Adjusted net income (if negative, enter -0-)			N/A	

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Form **990-PF** (2011)

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	2,364.	51,245.	51,245.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations			
	b Investments - corporate stock STMT 7	824,792.	816,144.	888,333.
	c Investments - corporate bonds			
	11 Investments - land, buildings and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	827,156.	867,389.	939,578.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ DUE TO BROKERS)	0.	1,296.	
	23 Total liabilities (add lines 17 through 22)	0.	1,296.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	827,156.	866,093.	
	30 Total net assets or fund balances	827,156.	866,093.	
	31 Total liabilities and net assets/fund balances	827,156.	867,389.	

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	827,156.
2	Enter amount from Part I, line 27a	2	38,937.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	866,093.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	866,093.

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	BBH - SEE STATEMENT ATTACHED	P	VARIOUS	VARIOUS
b	BBH - SEE STATEMENT ATTACHED	P	VARIOUS	VARIOUS
c	CAPITAL GAINS DIVIDENDS			
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	25,775.		23,369.	2,406.
b	157,902.		113,984.	43,918.
c	6,920.			6,920.
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				2,406.
b				43,918.
c				6,920.
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	53,244.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) / If (loss), enter -0- in Part I, line 8	3	N/A

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	38,484.	865,590.	.044460
2009	33,389.	780,059.	.042803
2008	52,456.	863,986.	.060714
2007	36,980.	881,555.	.041949
2006	34,765.	784,712.	.044303

2	Total of line 1, column (d)	2	.234229
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	.046846
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	947,660.
5	Multiply line 4 by line 3	5	44,394.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	668.
7	Add lines 5 and 6	7	45,062.
8	Enter qualifying distributions from Part XII, line 4	8	42,825.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	1,337.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0.
3	Add lines 1 and 2	3	1,337.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	1,337.
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011 — 6a: 536.		
b	Exempt foreign organizations - tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 2,000.		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	2,536.
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	1,199.
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ 1,199. **Refunded** ▶	11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MN			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X	

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

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ BROWN BROTHERS HARRIMAN TR CO NA Telephone no ▶212-493-8000

Located at ▶ 140 BROADWAY, NEW YORK, NY ZIP+4 ▶10005

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

		Yes	No
16 At any time during calendar year 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		X

See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
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 instructions)? N/A	1b		
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a At the end of tax year 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 ▶ _____ , _____ , _____ , _____			
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) N/A	2b		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ _____ , _____ , _____ , _____			
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b If "Yes," did it have excess business holdings in 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.)* N/A	3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? N/A | 5b |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X

If "Yes" to 6b, file Form 8870.

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b |

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
CAROL HOFFMANN 4914 BEACON HILL ROAD MINNETONKA, MN 55345	TRUSTEE 1.00	0.	0.	0.
WILLIAM HOFFMANN 4914 BEACON HILL ROAD MINNETONKA, MN 55345	TRUSTEE 1.00	0.	0.	0.

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

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

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

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

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

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities		1a	930,364.
b	Average of monthly cash balances		1b	31,727.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	962,091.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	962,091.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	14,431.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	947,660.
6	**Minimum investment return.** Enter 5% of line 5		6	47,383.

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

1	Minimum investment return from Part X, line 6		1	47,383.
2a	Tax on investment income for 2011 from Part VI, line 5	2a 1,337.		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	1,337.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	46,046.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	46,046.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	46,046.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	42,825.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	42,825.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	42,825.

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

Part XIII **Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				46,046.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			38,397.	
b Total for prior years ____ , ____ , ____		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 42,825.				
a Applied to 2010, but not more than line 2a			38,397.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				4,428.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 **Enter the net total of each column as indicated below**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				41,618.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2012** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

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

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

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

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

NONE

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

NONE

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

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

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

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				
THE UNIVERSITY OF NOTRE DAME GRACE HALL, SUITE 900 NOTRE DAME, IN 46556	NONE	PUBLIC CHARITY	EDUCATION	40,000.
Total			▶ 3a	40,000.
b Approved for future payment NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	17,704.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	53,244.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a 2010 OVERPAYMENT APPLIED					
b TO 2011					376.
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		70,948.	376.
13 Total Add line 12, columns (b), (d), and (e)				13	71,324.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes)
11A	2010 OVERPAYMENT APPLIED TO 2011

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

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

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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

▶ Signature of officer or trustee | Date 9/28/12 | Title ▶

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
ANNA-LIESE ANDERSON	Anna-Liese Anderson	9/28/12		P00804632

Firm's name ▶ BROWN BROTHERS HARRIMAN TRUST CO., N.A. | Firm's EIN ▶ 20-4592596

Firm's address ▶ 140 BROADWAY - 5TH FL NEW YORK, NY 10005 | Phone no

123622
12-02-11

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

OMB No 1545-0047

2011

Name of the organization	**Employer identification number**
THE COTTONWOOD FOUNDATION	36-4156747

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor Complete Parts I and II.

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not total to more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year ▶ $ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.** Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

123451 01-23-12

Name of organization	Employer identification number
THE COTTONWOOD FOUNDATION	36-4156747

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	WILLIAM AND CAROL HOFFMANN 4914 BEACON HILL ROAD MINNETONKA, MN 55345	$ 15,495.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization: THE COTTONWOOD FOUNDATION

Employer identification number: 36-4156747

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	208 SHARES OF VISA INC - CL A	$ 20,120.	12/08/11

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

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

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

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

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

Name of organization: THE COTTONWOOD FOUNDATION

Employer identification number: 36-4156747

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

Use duplicate copies of Part III if additional space is needed

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BBH	24,624.	6,920.	17,704.
TOTAL TO FM 990-PF, PART I, LN 4	24,624.	6,920.	17,704.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
2010 OVERPAYMENT APPLIED TO 2011	376.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	376.	0.	

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION FEE	2,800.	0.		2,800.
TO FORM 990-PF, PG 1, LN 16B	2,800.	0.		2,800.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	3,782.	3,782.		0.
TO FORM 990-PF, PG 1, LN 16C	3,782.	3,782.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	336.	336.		0.
2010 OVERPAYMENT APPLIED TO 2011	376.	0.		0.
FEDERAL TAXES	560.	0.		0.
TO FORM 990-PF, PG 1, LN 18	1,272.	336.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MINNESOTA FILING FEE	25.	0.		25.
ADR FEES	3.	3.		0.
TO FORM 990-PF, PG 1, LN 23	28.	3.		25.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
AUTOMATIC DATA PROCESSING INC	8,990.	12,152.
BAXTER INTL INC	18,937.	19,792.
BBH BROAD MARKET FIXED INCOMME FD	171,065.	173,352.
BBH INT'L EQUITY FUND	56,084.	54,315.
BERKSHIRE HATHAWAY INC DEL CL B	23,240.	30,520.
CHUBB CORP	16,435.	22,497.
COCA COLA CO	0.	0.
COMCAST CORP CL A	26,110.	24,303.
COSTCO WHOLESALE CORP	0.	0.
DELL COMPUTER CORP	19,666.	11,704.
DENTSPLY INTL INC	11,127.	13,996.
DIAGEO PLC - SPONSORED ADR	17,930.	26,226.
EBAY INC	8,960.	15,923.
ECOLAB INC	7,989.	11,562.
EOG RESOURCES INC	13,850.	14,777.
GRAINGER, W W INC	0.	0.
JOHNSON & JOHNSON	14,033.	14,756.

LIBERTY GLOBAL INC COM SER A	0.	0.
LIBERTY MEDIA HLDG CORP	16,125.	14,188.
LONGLEAF PARTNERS SMALL CAP FD	40,000.	48,216.
MICROSOFT	9,204.	9,995.
NESTLE SA	11,238.	24,527.
NOVARTIS AG - ADR	19,768.	21,439.
OCCIDENTAL PETROLEUM	3,252.	14,055.
PEPSICO INC	8,747.	9,953.
PIMCO TOTAL RETURN FD	80,000.	74,901.
PROGRESSIVE CORP OHIO	16,333.	19,022.
SOUTHWESTERN ENERGY CO	12,822.	11,179.
T ROWE PRICE NEW ASIA FD	20,000.	14,377.
U S BANCORP	20,128.	23,669.
VISA INC-CL A	16,975.	23,656.
WAL-MART STORES INC	21,394.	25,398.
WALGREEN CO	0.	0.
WASTE MANAGEMENT INC	23,985.	25,350.
TARGET CORP	16,131.	16,647.
ANHEUSER-BUSCH INBEV SPN ADR	11,677.	13,723.
WELLS FARGO & CO	17,739.	15,847.
HENRY SCHEIN INC COM STK	8,010.	8,054.
T ROWE PRICE INST HIGH YIELD	28,200.	28,262.
TOTAL TO FORM 990-PF, PART II, LINE 10B	816,144.	888,333.

Brown Brothers Harriman

BROWN BROTHERS HARRIMAN AND CO **Run on 9/28/2012 3:24:08 PM**

Realized Gain/Loss Report **Start Date: 01/01/2011**

End Date: 12/31/2011

Account: 1035000700 **Administrator: DAVID M. BUTTS 312-781-7118**

THE COTTONWOOD FOUNDATION

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss	Covered
** SHORT TERM CAPITAL GAIN (LOSS)						
25 SHARES OF VISA INC- CL.A SHARES	11/15/2011	12/07/2010	2,372.16	1,943.92	428 24	
25 SHARES OF VISA INC- CL A SHARES	12/19/2011	03/23/2011	2,460.09	1,800.55	659.54	Covered
50 SHARES OF VISA INC- CL.A SHARES	12/19/2011	03/23/2011	4,920 17	3,601 10	1,319.07	Covered
1560.175 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	12/20/2011	16,023 00	16,023.00	0.00	
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			25,775.42	23,368.57	2,406.85	
** LONG TERM CAPITAL GAIN (LOSS)						
14 SHARES OF WW GRAINGER INC	01/05/2011	02/15/2008	1,941 21	1,050 22	890.99	
150 SHARES OF WALGREEN CO	01/31/2011	06/27/2008	6,104.91	4,964.89	1,140 02	
50 SHARES OF WALGREEN CO	02/04/2011	06/27/2008	2,114.54	1,654.97	459 57	
50 SHARES OF COSTCO WHOLESALE CORP	02/04/2011	05/12/2009	3,695.86	2,325.72	1,370 14	
50 SHARES OF WALGREEN CO	02/11/2011	06/27/2008	2,114.24	1,654.96	459 28	
25 SHARES OF COSTCO WHOLESALE CORP	02/15/2011	05/12/2009	1,858 19	1,162 86	695.33	
14 SHARES OF OCCIDENTAL PETROLEUM CORP	02/22/2011	11/21/2008	1,432.60	644 87	787.73	
36 SHARES OF OCCIDENTAL PETROLEUM CORP	02/23/2011	11/21/2008	3,749.18	1,658.24	2,090.94	
1 SHARES OF WW GRAINGER INC	03/30/2011	01/17/2008	137.87	74.49	63.38	
11 SHARES OF WW GRAINGER INC	03/30/2011	02/15/2008	1,516.57	825 18	691.39	
13 SHARES OF WW GRAINGER INC	03/31/2011	01/17/2008	1,786.39	968.42	817 97	
22 SHARES OF COSTCO WHOLESALE CORP	04/08/2011	05/12/2009	1,693.84	1,023.31	670 53	
25 SHARES OF COSTCO WHOLESALE CORP	04/15/2011	05/22/2003	1,920 27	869 75	1,050 52	
3 SHARES OF COSTCO WHOLESALE CORP	04/15/2011	05/12/2009	230.43	139.54	90 89	
50 SHARES OF COCA-COLA CO	04/15/2011	06/12/2007	3,404.34	2,573 00	831.34	
38 SHARES OF WW GRAINGER INC	04/18/2011	01/17/2008	5,559.40	2,830 75	2,728 65	
23 SHARES OF WW GRAINGER INC	04/19/2011	01/17/2008	3,364.20	1,713 35	1,650.85	
50 SHARES OF COSTCO WHOLESALE CORP	05/10/2011	05/22/2003	4,122 48	1,739 50	2,382 98	
50 SHARES OF	05/31/2011	05/18/2006	3,199.50	2,859 50	340 00	

NOVARTIS AG - ADR 125 SHARES OF	06/01/2011	02/03/2005	8,092.32	3,317.50	4,774.82
NESTLE S A SPONS ADR 100 SHARES OF	06/01/2011	04/07/2006	6,473 85	2,918 00	3,555.85
NESTLE S A SPONS ADR 75 SHARES OF	07/20/2011	06/27/2008	3,145.28	2,482.45	662.83
WALGREEN CO 150 SHARES OF	08/11/2011	06/23/2010	5,148.50	4,231.25	917.25
WALGREEN CO 100 SHARES OF	08/11/2011	06/30/2010	3,432.34	2,683.14	749.20
WALGREEN CO 75 SHARES OF	09/19/2011	06/12/2007	5,276.99	3,859.50	1,417.49
COCA-COLA CO 43 SHARES OF	10/17/2011	06/12/2007	2,884.87	2,212.78	672.09
COCA-COLA CO 7 SHARES OF	10/18/2011	06/12/2007	468.44	360.22	108.22
COCA-COLA CO 25 SHARES OF	10/18/2011	10/09/2008	1,673.02	1,112 55	560.47
COCA-COLA CO 25 SHARES OF	10/18/2011	10/10/2008	1,673 01	1,050.91	622.10
COCA-COLA CO 47 SHARES OF	10/27/2011	03/21/2003	4,012 24	1,466.78	2,545.46
COSTCO WHOLESALE CORP 100 SHARES OF	11/28/2011	07/05/2006	3,921.39	2,118.93	1,802.46
LIBERTY GLOBAL INC COM SER A 75 SHARES OF	11/29/2011	07/05/2006	2,909.01	1,589.20	1,319.81
LIBERTY GLOBAL INC COM SER A 50 SHARES OF	11/30/2011	07/05/2006	1,954.73	1,059.46	895 27
LIBERTY GLOBAL INC COM SER A 53 SHARES OF	11/30/2011	03/21/2003	4,504.58	1,654.02	2,850 56
COSTCO WHOLESALE CORP 43 SHARES OF	12/05/2011	07/05/2006	1,722 74	911.14	811.60
LIBERTY GLOBAL INC COM SER A 132 SHARES OF	12/06/2011	07/05/2006	5,243 90	2,796.99	2,446.91
LIBERTY GLOBAL INC COM SER A 266 785 SHARES OF	12/08/2011	05/02/2000	3,225.43	4,028.46	803 03-
BBH INTERNATIONAL EQUITY FUND CL N 325 309 SHARES OF	12/08/2011	10/04/2006	3,932.99	5,000.00	1,067 01-
BBH INTERNATIONAL EQUITY FUND CL N 135 494 SHARES OF	12/08/2011	12/20/2006	1,638.12	2,158 42	520.30-
BBH INTERNATIONAL EQUITY FUND CL N .033 SHARES OF	12/08/2011	12/20/2006	0.40	0.53	0 13-
BBH INTERNATIONAL EQUITY FUND CL N 231 348 SHARES OF	12/08/2011	05/18/2007	2,797 00	4,000.01	1,203.01-
BBH INTERNATIONAL EQUITY FUND CL N 366 341 SHARES OF	12/08/2011	12/20/2007	4,429 06	5,945.71	1,516 65-
BBH INTERNATIONAL EQUITY FUND CL N 39 SHARES OF	12/19/2011	12/06/2010	3,837 74	3,024.66	813.08
VISA INC- CL A SHARES 36 SHARES OF	12/19/2011	12/07/2010	3,542.52	2,799 24	743.28
VISA INC- CL.A SHARES 75 SHARES OF	12/19/2011	12/16/2010	7,380.26	5,696 02	1,684.24
VISA INC- CL.A SHARES 25 SHARES OF	12/22/2011	05/06/2010	2,457.97	2,545 98	88 01-
EOG RESOURCES INC 9.195 SHARES OF	12/28/2011	05/27/2004	94.43	94.62	0 19-
BBH BROAD MARKET FUND CL N 63.744 SHARES OF	12/28/2011	06/29/2004	654.65	652.74	1.91
BBH BROAD MARKET FUND CL N 50 084 SHARES OF	12/28/2011	07/29/2004	514 36	515 87	1 51-
BBH BROAD MARKET FUND CL N 217.438 SHARES OF	12/28/2011	12/30/2004	2,233.09	2,254.84	21 75-
BBH BROAD MARKET FUND CL N 61.185 SHARES OF	12/28/2011	03/30/2005	628 37	625.31	3.06
BBH BROAD MARKET FUND CL N					

58.122 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	04/28/2005	596.91	602.14	5 23-
52.382 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	07/28/2005	537.96	543.20	5 24-
386.1 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	09/26/2005	3,965 25	4,000.00	34.75-
61.091 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	09/29/2005	627.40	631.07	3 67-
57.632 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	10/28/2005	591.88	587.27	4.61
61.531 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	11/29/2005	631.92	628.23	3.69
107.182 SHARES OF BBH BROAD MARKET FUND CL N	12/28/2011	12/29/2005	1,100 78	1,091.11	9 67
** TOTAL LONG TERM CAPITAL GAIN (LOSS)			157,901 72	113,983 77	43,917.95
** LONG TERM CAPITAL GAINS DIVIDENDS					
1911.052 BASIS SHARES OF LONGLEAF PARTNERS SMALL CAP FD					3,382.56
18065.118 BASIS SHARES OF BBH BROAD MARKET FUND CL N					715 38
1033.592 BASIS SHARES OF T ROWE PRICE NEW ASIA FUND					2,821 71
** TOTAL LONG TERM CAPITAL GAINS DIVIDENDS			0 00	0.00	6,919.65

SUMMARY

Description	Amount
** SUMMARY OF CAPITAL GAINS AND LOSSES **	
TOTAL SHORT TERM CAPITAL GAIN (LOSS)	2,406.85
TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS	0.00
NET SHORT TERM CAPITAL GAIN (LOSS)	2,406 85
TOTAL LONG TERM CAPITAL GAIN (LOSS)	43,917.95
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	6,919.65
TOTAL 28% RATE CAPITAL GAINS DIVIDENDS	0 00
TOTAL SEC 1250 CAPITAL GAINS DIVIDENDS	0.00
TOTAL SEC 1202 CAPITAL GAINS DIVIDENDS	0 00
NET LONG TERM CAPITAL GAIN (LOSS)	50,837.60
NET CAPITAL GAIN (LOSS)	53,244 45
TOTAL GAIN/LOSS FROM SALES WITH UNKNOWN COST/ACQUISITION DATE	0 00

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed)

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions THE COTTONWOOD FOUNDATION	Employer identification number (EIN) or [X] 36-4156747
	Number, street, and room or suite no If a P.O. box, see instructions. C/O BBH TR CO NA, 140 BROADWAY	Social security number (SSN) [ ]
	City, town or post office, state, and ZIP code For a foreign address, see instructions NEW YORK, NY 10005	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ BROWN BROTHERS HARRIMAN TR CO NA 140 BROADWAY, NEW YORK, NY - 10005

Telephone No. ▶ 212-493-8000 FAX No ▶ 212-493-8003

- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ▶ [ ] If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until NOVEMBER 15, 2012

5 For calendar year 2011 , or other tax year beginning _____ , and ending _____ .

6 If the tax year entered in line 5 is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
INFORMATION FOR FILING A COMPLETE AND ACCURATE TAX RETURN IS NOT YET AVAILABLE.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	$ 2,536.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$ 2,536.
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	$ 0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ [signature] Title ▶ E. A. Date ▶ 8/9/12

123842
01-06-12