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**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

2011

For calendar year 2011 or tax year beginning _____, and ending _____

Name of foundation

**SADIE AND HOBERT FOUTS SCHOLARSHIP FUND
C/O HIGH POINT BANK & TRUST**

2915

Number and street (or P.O. box number if mail is not delivered to street address)

Room/suite _____

PO BOX 2278

City or town, state, and ZIP code

HIGH POINT, NC 27261-2278

G Check all that apply.

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

H Check type of organization.

<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation
<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust
<input type="checkbox"/> Other taxable private foundation

I Fair market value of all assets at end of year
(from Part II, col. (c), line 16)J Accounting method Cash Accrual

► \$ 127203. (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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		3354.	3354.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		13730.			
b Gross sales price for all assets on line 6a	99879.				
7 Capital gain net income (from Part IV, line 2)			13730.		
8 Net short-term capital gain					
9 Income modifications					
a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
10a Other income 19 2012					
12 Total. Add lines 1 through 11		17084.	17084.		
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 2.	756.	0.		0.
c Other professional fees					
17 Interest					
18 Taxes	STMT 3.	130.	0.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses	STMT 4	1500.	0.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		2386.	0.		0.
25 Contributions, gifts, grants paid		8000.			8000.
26 Total expenses and disbursements. Add lines 24 and 25		10386.	0.		8000.
27 Subtract line 26 from line 12.		6698.			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			17084.		
c Adjusted net income (if negative, enter -0-)				N/A	

2011
24108

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1	Cash - non-interest-bearing	208.	348.	348.
	2	Savings and temporary cash investments	2317.	7244.	7244.
	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 5	110579.	112210.
	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)		113104.	119802.
					127203.
	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 ►)			
	23	Total liabilities (add lines 17 through 22)		0.	0.
		Foundations that follow SFAS 117, check here ► <input checked="" type="checkbox"/>			
		and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted		113104.	119802.
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► <input type="checkbox"/>			
		and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances		113104.	119802.
	31	Total liabilities and net assets/fund balances		113104.	119802.

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	113104.
2	Enter amount from Part I, line 27a	2	6698.
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	119802.
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	119802.

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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 HIGH POINT BANK-SEE ATTACHED			P		
b HIGH POINT BANK-SEE ATTACHED			P		
c SPDR GOLD TRUST			P		12/09/11
d CAPITAL GAINS DIVIDENDS					
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 37818.		39032.			-1214.
b 61766.		47117.			14649.
c 1.					1.
d 294.					294.
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) 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					-1214.
b					14649.
c					1.
d					294.
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		13730.
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	13146.	141426.	.092953
2009	8301.	137075.	.060558
2008	9189.	157049.	.058510
2007	8722.	189041.	.046138
2006	8885.	184640.	.048121

2 Total of line 1, column (d)

2 .306280

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 .061256

4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5

4 132554.

5 Multiply line 4 by line 3

5 8120.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 171.

7 Add lines 5 and 6

7 8291.

8 Enter qualifying distributions from Part XII, line 4

8 8000.

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

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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 ► <input type="checkbox"/> and enter "N/A" on line 1	Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	1	342.			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1%						
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-)						
3 Add lines 1 and 2	342.					
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	0.					
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	342.					
6 Credits/Payments						
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a					
b Exempt foreign organizations - tax withheld at source	6b					
c Tax paid with application for extension of time to file (Form 8868)	6c					
d Backup withholding erroneously withheld	6d					
7 Total credits and payments. Add lines 6a through 6d	0.					
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8					
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9					
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10					
11 Enter the amount of line 10 to be Credited to 2012 estimated tax ►	Refunded ► 11					

Part VII-A Statements Regarding Activities

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	Yes	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>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.</i>	1b	X	
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 ► \$ <u>0.</u> (2) On foundation managers. ► \$ <u>0.</u>			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>0.</u>			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	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? <i>If "Yes," attach a conformed copy of the changes</i>	3	X	
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? b If "Yes," has it filed a tax return on Form 990-T for this year?	4a	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	4b		
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?	5	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	6	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>NC</u>	7	X	
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	

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Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13	X	
Website address ► N/A		
14 The books are in care of ► HIGH POINT BANK & TRUST Telephone no ► 336-881-3300		
Located at ► 300 N. MAIN STREET, HIGH POINT, NC ZIP+4 ► 27261		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ► <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A		
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? Yes No 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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/> N/A	1b	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	4b	X

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

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

- (1) carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
- (2) influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 109(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

6b

X

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

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

Yes No

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
HIGH POINT BANK & TRUST COMPANY P.O. BOX 2278 HIGH POINT, NC 27261	TRUSTEE			
	0.00	0.	0.	0.

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

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

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

►

0

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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 CATAWBA COLLEGE -20010/2011 SCHOLARSHIP WAS AWARDED TO 2 INDIVIDUALS	
	8000.
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	129514.
b Average of monthly cash balances	1b	5059.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	134573.
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	134573.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	2019.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	132554.
6 Minimum Investment return. Enter 5% of line 5	6	6628.

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	6628.
2a Tax on investment income for 2011 from Part VI, line 5	2a	342.
b Income tax for 2011. (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	342.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	6286.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	6286.
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	6286.

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	8000.
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	8000.
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	8000.

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.

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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				6286.
2 Undistributed income, if any, as of the end of 2011			131.	
a Enter amount for 2010 only			0.	
b Total for prior years				
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 ► \$	8000.			
a Applied to 2010, but not more than line 2a			131.	
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			6286.	
e Remaining amount distributed out of corpus	1583.			
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:	1583.			
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5				
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				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	1583.			
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	1583.			

SADIE AND HOBERT FOUTS SCHOLARSHIP FUND
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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)

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 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.

RON VENABLE, CHIEF FINANCIAL OFFICER - OFFICE OF FINANCIAL AID

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

N/A

c. Any submission deadlines:

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

RECIPIENT MUST BE FROM DAVIDSON COUNTY, NC AND BE ATTENDING CATAWBA COLLEGE

SADIE AND HOBERT FOUTS SCHOLARSHIP FUND

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Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
CATAWBA COLLEGE- JOSHUA RAY CUMMINGS PO BOX 422 FAITH, NC 28041	NONE	NONE	SCHOLARSHIP	5000.
CATAWBA COLLEGE- KELLY B. WILSON PO BOX 2094 REIDSVILLE, NC 27323	NONE	NONE	SCHOLARSHIP	3000.
Total				► 3a 8000.
b Approved for future payment				
NONE				
Total				► 3b 0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
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	3354.	
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	13730.	
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)		0.		17084.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	17084.
(See worksheet in line 13 instructions to verify calculations.)					

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

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT 1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
VARIOUS	3648.	294.	3354.
TOTAL TO FM 990-PF, PART I, LN 4	3648.	294.	3354.

FORM 990-PF	ACCOUNTING FEES	STATEMENT 2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	756.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	756.	0.		0.

FORM 990-PF	TAXES	STATEMENT 3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX ON INVESTMENT INCOME	51.	0.		0.
FOREIGN TAX PAID	79.	0.		0.
TO FORM 990-PF, PG 1, LN 18	130.	0.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT 4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEES & COMMISSIONS	1500.	0.		0.
TO FORM 990-PF, PG 1, LN 23	1500.	0.		0.

FORM 990-PF

CORPORATE STOCK

STATEMENT

5

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
ISHS S&P 400 MIDCAP	4424.	6746.
ISHS RUSSELL 2000	3442.	5163.
SPDR S&P 500	16811.	22465.
ISHARES BARCLAYS 1-3	10762.	10733.
POWERSHARES DB	4711.	5073.
ETF VANGUARD REIT	2539.	3190.
POWERSHARES EMERMKTS	1549.	1560.
GS ABSOLUTE RETURN F	12008.	11715.
ISHARES BARCLAYS TIP	2099.	2217.
RYDER S&P EQL WE LAR	6958.	7266.
SPDR GOLD TRUST	3184.	2888.
SPDR S&P EMER MKT SM	3433.	2490.
SPDR INTL SMALL CAP	1464.	1410.
SPDR HIGH YIELD	3669.	3461.
VANGUARD INTER BOND	9691.	10175.
EFT VANGUARD MSCI	15666.	14243.
VANGUARD EMRG MKT LG	8094.	7260.
WISDOMTREE EMERG MKT	1706.	1556.
TOTAL TO FORM 990-PF, PART II, LINE 10B	112210.	119611.

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2011**Realized Capital Gains/Losses**

Quantity	Security	Reg Date Acquired	Date Sold	Sale Proceeds	Investment Cost Basis	Wash Sale Loss Disallowed	Gain/Loss
SHORT-TERM GAINS AND LOSSES							
25.00	ISHARES TR BARCLAYS TIPS BD ETF (464287176)	2 04/25/11	08/12/11	2,900.44	2,762.01	0.00	138.43
52.00	ISHS 1-3 YEAR CREDIT BOND FD ETF (464288646)	2 07/15/10	04/25/11	5,444.17	5,432.44	0.00	11.73
24.00	(464288646)	2 07/15/10	06/15/11	2,518.99	2,507.28	0.00	11.71
Security Total:				7,963.16	7,939.72	0.00	23.44
23.00	POWERSHARES DB AGRICULTURE ETF (73936B408)	2 08/04/11	12/05/11	657.15	737.12	0.00	(79.97)
35.00	(73936B408)	2 08/04/11	12/05/11	1,000.01	1,130.50	0.00	(130.49)
55.00	(73936B408)	2 08/12/11	12/05/11	1,571.44	1,782.00	0.00	(210.56)
Security Total:				3,228.60	3,649.62	0.00	(421.02)
8.00	ETF PROSHARES ULTRASHLEHMAN (74347R297)	2 08/03/11	08/12/11	214.64	230.00	0.00	(15.36)
34.00	(74347R297)	2 08/03/11	09/26/11	682.03	977.52	0.00	(295.49)
Security Total:				896.67	1,207.52	0.00	(310.85)
17.00	SPDR S&P EMERGING MARKETS SMALL (78463X756)	2 06/15/11	11/18/11	704.26	905.04	0.00	(200.78)
44.00	SPDR BARCLAYS HIGH YIELD ETF (78464A417)	2 04/25/11	08/12/11	1,664.94	1,793.64	0.00	(128.70)

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2011 Realized Capital Gains/Losses (continued)

Quantity	Security	Reg Date Acquired	Date Sold	Sale Proceeds	Investment Cost Basis	Wash Sale Loss Disallowed	Gain/Loss
SHORT-TERM GAINS AND LOSSES							
Security Total:							
14.00	VANGUARD INTERMEDIATE BOND ETF (921937819)	2 04/25/11	08/03/11	1,211.49	1,159.54	0.00	51.95
7.00	(921937819)	2 04/25/11	08/12/11	610.11	579.77	0.00	30.34
203.00	VANGUARD TOTAL BOND MKT ETF (921937815)	2 07/15/10	04/25/11	16,337.92	16,522.17	0.00	82.29
24.00	VANGUARD EAFE FOREIGN LARGE CAP (921943858)	2 08/12/11	11/18/11	748.26	808.54	0.00	(60.28)
32.00	WISDOMTREE EMERGING MARKET LOCAL DEBT (97717X867)	2 06/15/11	12/16/11	1,552.53	1,703.99	0.00	(151.46)
Total SHORT-TERM GAINS AND LOSSES				37,818.38	39,031.56	0.00	(1,213.18)
LONG-TERM GAINS AND LOSSES							
4.00	ISHS S&P MIDCAP 400 ETF (464287507)	2 06/26/09	08/12/11	338.99	229.80	0.00	109.19
44.00	ISHS RUSSELL SMALLCAP 2000 ETF (464287655)	2 06/23/09	08/12/11	3,092.26	2,163.69	0.00	928.57
13.00	ISHS INTERNATIONAL SMALLCAP ETF (464288273)	2 07/08/09	08/12/11	499.83	374.45	0.00	125.38
85.00	(464288273)	2 07/08/09	11/17/11	3,004.83	2,448.34	0.00	556.49
Security Total:				3,504.66	2,822.79	0.00	681.87

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2011	Realized Capital Gains/Losses (continued)						
Quantity	Security	Reg Date Acquired	Date Sold	Sale Proceeds	Investment Cost Basis	Wash Sale Loss Disallowed	Gain/Loss
0.00	SPPDR GOLD TRUST ETF (78463V107)	N/A	12/09/11	1.00	N/A ¹⁶		

Total UNDETERMINED TERM GAINS AND LOSSES

Grand Total:

99,585.95	86,148.05	0.00	13,436.90
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