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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 <div> <div>2011</div> <div>Open to Public Inspection</div> </div>
	▶ The organization may have to use a copy of this return to satisfy state reporting requirements	

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011		D Employer identification number 62-0786018	
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization COTTON INCORPORATED		E Telephone number (919) 678-2220
	Doing Business As		G Gross receipts \$ 70,793,669
	Number and street (or P O box if mail is not delivered to street address) 6399 WESTON PARKWAY	Room/suite	
	City or town, state or country, and ZIP + 4 CARY, NC 27513		
	F Name and address of principal officer DAVID BYRD 6399 WESTON PARKWAY CARY, NC 27513		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
I Tax-exempt status <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (6) ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
J Website: ▶ WWW.COTTONINC.COM		H(c) Group exemption number ▶	
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1967	M State of legal domicile TN

Part I	Summary
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Activities & Governance	1 Briefly describe the organization's mission or most significant activities FROM AGRICULTURAL, FIBER AND TEXTILE RESEARCH, MARKET INFORMATION AND TECHNICAL SERVICES TO ADVERTISING AND PUBLIC RELATIONS, FASHION FORECASTS AND RETAIL PROMOTIONS, WE KEEP ONE GOAL IN MIND TO ENSURE THAT COTTON REMAINS THE FIRST CHOICE AMONG CONSUMERS IN APPAREL AND HOME PRODUCTS		
	2 Check this box <input checked="" type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	120
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	120
5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	165	
6 Total number of volunteers (estimate if necessary)	6	120	
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0	
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue		Prior Year	Current Year
	8 Contributions and grants (Part VIII, line 1h)	66,032,153	70,793,669
	9 Program service revenue (Part VIII, line 2g)	0	0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	66,032,153	70,793,669
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	126,786
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	16,787,328	18,448,691
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) <input checked="" type="checkbox"/> 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	49,747,277	53,736,298
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	66,534,605	72,311,775
	19 Revenue less expenses Subtract line 18 from line 12	-502,452	-1,518,106
	Net Assets or Fund Balances		Beginning of Current Year
20 Total assets (Part X, line 16)		12,925,862	12,425,003
21 Total liabilities (Part X, line 26)		14,772,518	15,789,765
22 Net assets or fund balances Subtract line 21 from line 20		-1,846,656	-3,364,762

Part II	Signature Block
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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 officer) is based on all information of which preparer has any knowledge.

Sign Here	<div> <div></div> <div>Signature of officer</div> </div>			2012-08-09	
	<div> <div></div> <div>DAVID BYRD SENIOR VP AND CFO</div> </div> <div>Type or print name and title</div>				
Paid Preparer's Use Only	Preparer's signature	MICHAEL SORRELLS CPA	Date	Check if self-employed <input type="checkbox"/>	Preparer's taxpayer identification number (see instructions) P00001737
	Firm's name (or yours if self-employed), address, and ZIP + 4	<div>BDO USA LLP</div> <div>7101 WISCONSIN AVE SUITE 800</div> <div>BETHESDA, MD 208144827</div>			EIN 13-5381590
					Phone no (301) 654-4900

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

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐ Yes ☒ No

1

Briefly describe the organization's mission

FROM AGRICULTURAL, FIBER AND TEXTILE RESEARCH, MARKET INFORMATION AND TECHNICAL SERVICES TO ADVERTISING AND PUBLIC RELATIONS, FASHION FORECASTS AND RETAIL PROMOTIONS, WE KEEP ONE GOAL IN MIND TO ENSURE THAT COTTON REMAINS THE FIRST CHOICE AMONG CONSUMERS IN APPAREL AND HOME PRODUCTS

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ including grants of \$) (Revenue \$)

CONSUMER MARKETING PROGRAM SERVICE CONTINUED TO USE A DIVERSIFIED PORTFOLIO OF COMMUNICATION VEHICLES TO PROMOTE THE AWARENESS OF COTTON

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

GLOBAL SUPPLY CHAIN MARKETING WORKED WITH COMPANIES, ORGANIZATIONS AND ASSOCIATIONS IN THE WORLD SUPPLY CHAINS FOR FIBER PRODUCTS WITH THE OBJECTIVE OF INFLUENCING THE USE OF COTTON FIBER IN PRODUCTS THIS PROGRAM SERVICE WORKS TOWARD KEEPING THE INDUSTRY AWARE OF THE LATEST ADVANCES IN COTTON IT OFFERS TECHNICAL GUIDANCE, INNOVATIONS, TESTING AND MARKETING KNOWLEDGE TO COTTON BUSINESSES ADDITIONALLY, THIS PROGRAM SERVICE DEVELOPS AND DISTRIBUTES SOFTWARE SOLUTIONS THAT CONTRIBUTE TO EFFICIENCIES IN COTTON FIBER INVENTORY MANAGEMENT AND ALLOCATION DECISION MAKING

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

AGRICULTURAL RESEARCH SUPPORTED THE U.S. COTTON INDUSTRY THROUGH ITS FIELD AND LABORATORY RESEARCH THE PROGRAM SERVICE CONTINUED TO CREATE NEW INNOVATIONS IN COTTON AND SHARE THEM WITH BOTH THE PUBLIC AND PRIVATE SECTORS IT ALSO BEGAN THE DEVELOPMENT OF A NEW COTTON DATABASE THAT IS JOINTLY FUNDED BY THE USDA-ARS WHICH WILL FUNCTION AS A DATA DEPOSITORY FOR GENOMIC, GENETIC AND BREEDING INFORMATION

(Code) (Expenses \$ including grants of \$) (Revenue \$)

CORPORATE SERVICES

(Code) (Expenses \$ including grants of \$) (Revenue \$)

PRODUCT RESEARCH AND DEVELOPMENT, CORPORATE SERVICES

4d

Other program services (Describe in Schedule O)


















(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses \$

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1	No
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? 	2	Yes
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II</i> 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 	9	No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	10	No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i> 	11a	Yes
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i> 	11b	No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i> 	11c	No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i> 	11d	No
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i> 	11e	Yes
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X.</i> 	11f	Yes
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> 	12a	Yes
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i> 	12b	No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	Yes
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Part I</i> 	14b	Yes
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? <i>If "Yes," complete Schedule F, Part II and IV</i> 	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? <i>If "Yes," complete Schedule F, Part III and IV</i> 	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	No
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	20a	No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance			Yes	No
Check if Schedule O contains a response to any question in this Part V				
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a155		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return.	2a165		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4a	Yes	
b	If "Yes," enter the name of the foreign country: CH, HK, MX, JA See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders.	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.	13a		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c	Enter the aggregate amount of reserves on hand.	13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		

Part VI

Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1a	120		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	120
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	No
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	Yes
b	Other officers or key employees of the organization	15b	Yes
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed TN , NC , NY
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. DAVID BYRD 6399 WESTON PARKWAY CARY, NC 27513 (919) 678-2220

Check if Schedule O contains a response to any question in this Part VII

☐ Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

Form **990** (2011)

Part VII

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	2,330,388	0	679,282

2 Total number of individuals (including but not limited to those listed in Item 1) who received or accrued more than \$100,000 of reportable compensation from the organization. ▶ 30

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ANDREA SAMBER 17004 BRIDGETON LANE HUNTERSVILLE, NC 28078	STRATEGIC ALLIANCES CONSULTANT	134,077
BDO USA 5430 WADE PARK BLVD SUITE 300 RALEIGH, NC 27607	AUDIT AND TAX	118,359
DON BAILEY 7620 ROCK QUARRY ROAD RALEIGH, NC 27610	IMPORTER SUPPORT CONSULTANT	117,188
SNR DENTON 233 WAKER DRIVE 7800 CHICAGO, IL 60606	LEGAL	116,333
MG CAPITAL MAINTENANCE 110 PHEASANT WOOD CT MORRISVILLE, NC 27560	BUILDING MAINTENANCE	105,510

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶6

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	70,793,669			
	g	Noncash contributions included in lines 1a-1f \$ _____					
	h	Total. Add lines 1a-1f			70,793,669		
Program Service Revenue	2a		Business Code				
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts)				
4		Income from investment of tax-exempt bond proceeds . .					
5		Royalties					
6a		Gross rents	(i) Real (ii) Personal				
b		Less rental expenses					
c		Rental income or (loss)					
d		Net rental income or (loss)					
7a		Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
b		Less cost or other basis and sales expenses					
c		Gain or (loss)					
d		Net gain or (loss)					
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses	b				
c		Net income or (loss) from fundraising events . .					
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses	b				
c		Net income or (loss) from gaming activities . .					
10a		Gross sales of inventory, less returns and allowances	a				
b		Less cost of goods sold . . .	b				
c		Net income or (loss) from sales of inventory . .					
		Miscellaneous Revenue	Business Code				
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total revenue. See Instructions			70,793,669	0	0	0

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2	Grants and other assistance to individuals in the United States See Part IV, line 22	126,786			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	3,366,321			
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	9,159,712			
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,455,960			
9	Other employee benefits	1,704,855			
10	Payroll taxes	761,843			
11	Fees for services (non-employees)				
a	Management	2,810,889			
b	Legal	253,029			
c	Accounting	114,159			
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	328,973			
g	Other	2,552,787			
12	Advertising and promotion	21,456,218			
13	Office expenses	698,093			
14	Information technology	539,406			
15	Royalties				
16	Occupancy	1,791,042			
17	Travel	2,935,836			
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	3,230,222			
20	Interest	3,243			
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,169,353			
23	Insurance	289,414			
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	RESEARCH AND PROMOTION	11,926,294			
b	MAINTENANCE	865,605			
c	SPONSORSHIP	493,572			
d					
e					
f	All other expenses	2,278,163			
25	Total functional expenses. Add lines 1 through 24f	72,311,775			
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			3,764	1	3,857
	2	Savings and temporary cash investments			8,470,570	2	7,467,065
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			837,944	4	920,788
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			844,003	9	838,789
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	17,116,132			
	b	Less: accumulated depreciation	10b	13,921,628	2,769,581	10c	3,194,504
	11	Investments—publicly traded securities				11	
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11				15	
16	Total assets. Add lines 1 through 15 (must equal line 34)			12,925,862	16	12,425,003	
Liabilities	17	Accounts payable and accrued expenses			10,288,488	17	9,368,527
	18	Grants payable				18	
	19	Deferred revenue			294,036	19	283,891
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			4,189,994	25	6,137,347
	26	Total liabilities. Add lines 17 through 25			14,772,518	26	15,789,765
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			-1,846,656	27	-3,364,762
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			-1,846,656	33	-3,364,762
34	Total liabilities and net assets/fund balances			12,925,862	34	12,425,003	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	70,793,669
2	Total expenses (must equal Part IX, column (A), line 25)	2	72,311,775
3	Revenue less expenses Subtract line 2 from line 1	3	-1,518,106
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-1,846,656
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	-3,364,762

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Additional Data

Software ID:
Software Version:
EIN: 62-0786018
Name: COTTON INCORPORATED

Form 990, Special Condition Description:

Special Condition Description

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services
(Code) (Expenses \$ including grants of \$) (Revenue \$) CORPORATE SERVICES
(Code) (Expenses \$ including grants of \$) (Revenue \$) PRODUCT RESEARCH AND DEVELOPMENT, CORPORATE SERVICES

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
BUDDY ALLEN BOARD MEMBER	1 00	X						0	0	0
STEVEN ALSABROOK BOARD MEMBER	1 00	X						0	0	0
HARRIS ARMOUR BOARD MEMBER	1 00	X						0	0	0
LLOYD ARTHUR BOARD MEMBER	1 00	X						0	0	0
COLEY BAILEY JR BOARD MEMBER	1 00	X						0	0	0
ROY BAXLEY BOARD MEMBER	1 00	X						0	0	0
RICKEY BEARDEN BOARD CHAIRMAN	1 00	X		X				0	0	0
ALLEN BELOW BOARD MEMBER	1 00	X						0	0	0
MARVIN BEYER JR BOARD MEMBER	1 00	X						0	0	0
FRANK BEZNER JR BOARD MEMBER	1 00	X						0	0	0
KENNETH BICKLEY BOARD MEMBER	1 00	X						0	0	0
KEITH BRAM BOARD MEMBER	1 00	X						0	0	0
LAUDIES BRANTLEY BOARD MEMBER	1 00	X						0	0	0
JAMES BROOKS BOARD MEMBER	1 00	X						0	0	0
CARL BROWN JR BOARD MEMBER	1 00	X						0	0	0
JAMES BROWN BOARD MEMBER	1 00	X						0	0	0
CLAUDE BUNDRICK BOARD MEMBER	1 00	X						0	0	0
TIM BURCH BOARD MEMBER	1 00	X						0	0	0
JOE BURNS BOARD MEMBER	1 00	X						0	0	0
STEVEN CLAY BOARD MEMBER	1 00	X						0	0	0
DANNY CLAYTON BOARD MEMBER	1 00	X						0	0	0
RONALD COLEY BOARD MEMBER	1 00	X						0	0	0
JASON CONDREY BOARD MEMBER	1 00	X						0	0	0
KEITH CORZINE BOARD MEMBER	1 00	X						0	0	0
KEVIN CRAFT BOARD MEMBER	1 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JOHNNY CRAWFORD BOARD MEMBER	1 00	X						0	0	0
JOHN CROMLEY BOARD MEMBER	1 00	X						0	0	0
JERRY DAVIS BOARD MEMBER	1 00	X						0	0	0
WADE DEERMAN BOARD MEMBER	1 00	X						0	0	0
JABY DENTON BOARD MEMBER	1 00	X						0	0	0
STEVEN DROKE BOARD MEMBER	1 00	X						0	0	0
DAVID DUNLOW BOARD MEMBER	1 00	X						0	0	0
PHILIP EDWARDS III BOARD MEMBER	1 00	X						0	0	0
ROBERT ENGLERT BOARD MEMBER	1 00	X						0	0	0
RICHARD FELTON BOARD MEMBER	1 00	X						0	0	0
SCOTT FULLEN BOARD MEMBER	1 00	X						0	0	0
KENDALL GARRAWAY BOARD MEMBER	1 00	X						0	0	0
JAMES GAY BOARD MEMBER	1 00	X						0	0	0
RONNIE GERIK BOARD MEMBER	1 00	X						0	0	0
KENNETH GINGG BOARD MEMBER	1 00	X						0	0	0
BURGES GRIFFIN SECRETARY	1 00	X		X				0	0	0
WILLIAM HADDOCK III BOARD MEMBER	1 00	X						0	0	0
DAHLEN HANCOCK BOARD MEMBER	1 00	X						0	0	0
JON HARDWICK VICE CHAIRMAN	1 00	X		X				0	0	0
MYRON HAWES BOARD MEMBER	1 00	X						0	0	0
CHARLES HEFFINGTON BOARD MEMBER	1 00	X						0	0	0
CRAIG HEINRICH BOARD MEMBER	1 00	X						0	0	0
EDDY HERM BOARD MEMBER	1 00	X						0	0	0
GERALD HILBERS BOARD MEMBER	1 00	X						0	0	0
MIKE HUGHES BOARD MEMBER	1 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
ROBERT HULL BOARD MEMBER	1 00	X						0	0	0
JEFF HUX BOARD MEMBER	1 00	X						0	0	0
NEAL ISBELL BOARD MEMBER	1 00	X						0	0	0
BERNARD JORDAN JR BOARD MEMBER	1 00	X						0	0	0
DANFORD JOSEY III BOARD MEMBER	1 00	X						0	0	0
GEORGE KING BOARD MEMBER	1 00	X						0	0	0
JOHN KING BOARD MEMBER	1 00	X						0	0	0
DONNY LASSITER BOARD MEMBER	1 00	X						0	0	0
CHUCK LEE BOARD MEMBER	1 00	X						0	0	0
RONALD LEE BOARD MEMBER	1 00	X						0	0	0
JOHN LINDAMOOD BOARD MEMBER	1 00	X						0	0	0
STEPHEN LOGAN BOARD MEMBER	1 00	X						0	0	0
FRANK LYONS BOARD MEMBER	1 00	X						0	0	0
SHERMAN MARSH BOARD MEMBER	1 00	X						0	0	0
JAMES MASSEY BOARD MEMBER	1 00	X						0	0	0
HAROLD MAY BOARD MEMBER	1 00	X						0	0	0
GREGG MAYBERRY BOARD MEMBER	1 00	X						0	0	0
JAMES MCGOUGAN BOARD MEMBER	1 00	X						0	0	0
WELDON MELTON BOARD MEMBER	1 00	X						0	0	0
PETER MICHAEL BOARD MEMBER	1 00	X						0	0	0
BRADY MIMMS BOARD MEMBER	1 00	X						0	0	0
TRAVIS MIRES BOARD MEMBER	1 00	X						0	0	0
PERCY MORRIS BOARD MEMBER	1 00	X						0	0	0
DANNIE MORRIS BOARD MEMBER	1 00	X						0	0	0
BRENT NELSON BOARD MEMBER	1 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MARSHALL NEWTON BOARD MEMBER	1 00	X						0	0	0
JESS NICHOLS BOARD MEMBER	1 00	X						0	0	0
HERRICK NORCROSS III BOARD MEMBER	1 00	X						0	0	0
JOHN OLSON III BOARD MEMBER	1 00	X						0	0	0
NORMAN OWEN BOARD MEMBER	1 00	X						0	0	0
LEON PARKER BOARD MEMBER	1 00	X						0	0	0
MILTON PARRISH BOARD MEMBER	1 00	X						0	0	0
MICHAEL PATSCHKE BOARD MEMBER	1 00	X						0	0	0
HARRY PATTON III BOARD MEMBER	1 00	X						0	0	0
DAVID PEARSON BOARD MEMBER	1 00	X						0	0	0
SCHLEY PERRY JR BOARD MEMBER	1 00	X						0	0	0
GLEN PHIPPS BOARD MEMBER	1 00	X						0	0	0
TERRY POLLARD BOARD MEMBER	1 00	X						0	0	0
DIANN PRECHEL BOARD MEMBER	1 00	X						0	0	0
CHARLES PROVANCE JR BOARD MEMBER	1 00	X						0	0	0
BERNARD PUSTEJOVSKY BOARD MEMBER	1 00	X						0	0	0
DARRYL QUIGLEY BOARD MEMBER	1 00	X						0	0	0
NATHAN REED BOARD MEMBER	1 00	X						0	0	0
JOHNIE REED BOARD MEMBER	1 00	X						0	0	0
DANNY ROBBINS BOARD MEMBER	1 00	X						0	0	0
WILLIAM ROBERTSON JR BOARD MEMBER	1 00	X						0	0	0
BRIAN ROBINSON BOARD MEMBER	1 00	X						0	0	0
LARRY SAYES BOARD MEMBER	1 00	X						0	0	0
HARRY SCHROEDER BOARD MEMBER	1 00	X						0	0	0
ERIC SEIDENBERGER BOARD MEMBER	1 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
CLYDE SHARP BOARD MEMBER	1 00	X						0	0	0
TED SHEELY BOARD MEMBER	1 00	X						0	0	0
SAMUEL SIMMONS BOARD MEMBER	1 00	X						0	0	0
RICHARD SLADE BOARD MEMBER	1 00	X						0	0	0
STEVE SOSSAMAN BOARD MEMBER	1 00	X						0	0	0
SAM SPARKS BOARD MEMBER	1 00	X						0	0	0
AL SPINKS BOARD MEMBER	1 00	X						0	0	0
SAM SPRUELL BOARD MEMBER	1 00	X						0	0	0
LAWRENCE STARRH BOARD MEMBER	1 00	X						0	0	0
CB STEVENS BOARD MEMBER	1 00	X						0	0	0
EARL STILES BOARD MEMBER	1 00	X						0	0	0
MARTIN STOERNER BOARD MEMBER	1 00	X						0	0	0
WARREN SULLIVAN BOARD MEMBER	1 00	X						0	0	0
GUY TEETER BOARD MEMBER	1 00	X						0	0	0
CRAIG THARP BOARD MEMBER	1 00	X						0	0	0
GARY TIDWELL BOARD MEMBER	1 00	X						0	0	0
PHIL VANDIVER BOARD MEMBER	1 00	X						0	0	0
MICHAEL VAUGHN BOARD MEMBER	1 00	X						0	0	0
ROBERT WALKER BOARD MEMBER	1 00	X						0	0	0
MARK WATTE TREASURER	1 00	X		X				0	0	0
WILLIAM WEAVER BOARD MEMBER	1 00	X						0	0	0
JAMES WEBB BOARD MEMBER	1 00	X						0	0	0
STEPHEN WILBUR BOARD MEMBER	1 00	X						0	0	0
DONNA WINTERS BOARD MEMBER	1 00	X						0	0	0
RONALD WOODS BOARD MEMBER	1 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
FARRIS WREN JR BOARD MEMBER	1 00	X						0	0	0
JULIUS WORSHAM PRESIDENT AND CEO	40 00			X				476,769	0	111,934
DAVID BYRD SR VP AND CFO	40 00			X				205,197	0	57,890
JOHN MORGANS VP ADMINISTRATION	40 00			X				151,867	0	48,293
KATER HAKE VP AGRICULTURE	40 00				X			211,103	0	75,500
RICHMOND HENDEE SR VP CONSUMER MKTG	40 00				X			218,020	0	72,858
MARK MESSURA EX VP GLOBAL PROD SUPPLY C	40 00				X			217,577	0	67,355
MICHAEL TYNDALL VP PROD DEV & IMLEM	40 00				X			155,467	0	49,227
MICHAEL WATSON VP FIBER COMPETITION	40 00					X		160,154	0	51,454
PAULA ROSARIO VP STRATEGIC SERVICES	40 00					X		144,517	0	31,476
PATRICIA O'LEARY SR DIR AGRIC RESEARCH	40 00					X		133,075	0	38,512
ROBERT NICHOLS SR DIR AG/ENVIR RESEARCH	40 00					X		127,331	0	49,513
WENTAO ZHENG TEXTILE DATA SYSTEMS ENGINEER	40 00					X		129,311	0	25,270

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization COTTON INCORPORATED	Employer identification number 62-0786018
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Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II

Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of a certified historic structure☐ Preservation of open space

2

Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4

Number of states where property subject to conservation easement is located ▶ _____

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i)

Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

(ii)

Assets included in Form 990, Part X

▶ \$ _____

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b

Assets included in Form 990, Part X

▶ \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2011

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i)

unrelated organizations

(ii)

related organizations

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		1,748,039	858,124	889,915
d Equipment		13,661,885	11,616,542	2,045,343
e Other		1,706,208	1,446,962	259,246
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				3,194,504

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	170,793,669
2	Total expenses (Form 990, Part IX, column (A), line 25)	272,311,775
3	Excess or (deficit) for the year Subtract line 2 from line 1	3-1,518,106
4	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV)	8
9	Total adjustments (net) Add lines 4 - 8	9
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10-1,518,106

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	172,854,880
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a	
b	Donated services and use of facilities2b2,061,211	
c	Recoveries of prior year grants2c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e2,061,211	
3	Subtract line 2e from line 13	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
a	Investment expenses not included on Form 990, Part VIII, line 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c0	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	174,372,986
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a2,061,211	
b	Prior year adjustments2b	
c	Other losses2c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e2,061,211	
3	Subtract line 2e from line 13	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c0	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)5	72,311,775

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THE COMPANY IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(6) OF THE INTERNAL REVENUE CODE, EXCEPT FOR ANY UNRELATED BUSINESS INCOME. THERE WAS NO UNRELATED BUSINESS INCOME EARNED DURING THE YEARS ENDED DECEMBER 31, 2011 AND 2010, AND THUS, NO PROVISION FOR INCOME TAXES HAS BEEN MADE. THE COMPANY ACCOUNTS FOR UNCERTAINTY IN INCOME TAXES USING A RECOGNITION THRESHOLD OF MORE-LIKELY-THAN-NOT TO BE SUSTAINED UPON EXAMINATION BY THE APPROPRIATE TAXING AUTHORITY. MEASUREMENT OF UNCERTAINTY OCCURS IF THE RECOGNITION THRESHOLD HAS BEEN MET. MANAGEMENT BELIEVES THAT THERE WERE NO UNCERTAIN TAX POSITIONS THAT MET THE RECOGNITION THRESHOLD IN 2011 AND 2010. THE COMPANY'S TAX RETURNS ARE OPEN FOR EXAMINATION FOR THE YEARS 2008 THROUGH 2011.

OMB No 1545-0047

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.**
▶ **Attach to Form 990. ▶ See separate instructions.**

Open to Public Inspection

Employer identification number
62-0786018

1

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ► _____

3 Enter total number of other organizations or entities ► _____

Part III

[illegible]

Part IV Foreign Forms

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*

☐ Yes

☒ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If " Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*

☐ Yes

☒ No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*

☐ Yes

☒ No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*

☐ Yes

☒ No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*

☐ Yes

☒ No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*

☐ Yes

☒ No

Supplemental Information

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

[illegible]

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
COTTON INCORPORATED

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public
Inspection

Employer identification number
62-0786018

Part I

General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶

3 Enter total number of other organizations listed in the line 1 table ▶

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) RESEARCH	9	126,786			

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 GRANTS ARE OVERSEEN BY OUR AGRICULTURAL AND ENVIRONMENTAL RESEARCH EMPLOYEES THESE EMPLOYEES MONITOR THE PROGRESS OF THOSE RECEIVING GRANTS, INCLUDING REQUIRED COMMUNICATIONS OF THEIR PROGRESS AND SITE VISITS

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
COTTON INCORPORATED

Employer identification number

62-0786018

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input checked="" type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	Yes
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	
b	Any related organization?	5b	
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	
b	Any related organization?	6b	
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JULIUS WORSHAM	(i)	410,972	60,023	5,774	84,915	27,019	588,703	0
	(ii)	0	0	0	0	0	0	0
(2) DAVID BYRD	(i)	185,953	14,400	4,844	41,809	16,081	263,087	0
	(ii)	0	0	0	0	0	0	0
(3) JOHN MORGANS	(i)	137,301	11,520	3,046	27,885	20,408	200,160	0
	(ii)	0	0	0	0	0	0	0
(4) KATER HAKE	(i)	189,301	13,690	8,112	51,234	24,266	286,603	0
	(ii)	0	0	0	0	0	0	0
(5) RICHMOND HENDEE	(i)	192,953	13,875	11,192	51,528	21,330	290,878	0
	(ii)	0	0	0	0	0	0	0
(6) MARK MESSURA	(i)	200,199	11,600	5,778	43,993	23,362	284,932	0
	(ii)	0	0	0	0	0	0	0
(7) MICHAEL TYNDALL	(i)	140,356	9,956	5,155	33,536	15,691	204,694	0
	(ii)	0	0	0	0	0	0	0
(8) MICHAEL WATSON	(i)	142,953	9,695	7,506	33,529	17,925	211,608	0
	(ii)	0	0	0	0	0	0	0
(9) PAULA ROSARIO	(i)	47,096	3,915	93,506	10,819	20,657	175,993	0
	(ii)	0	0	0	0	0	0	0
(10) PATRICIA O'LEARY	(i)	116,992	8,292	7,791	30,947	7,565	171,587	0
	(ii)	0	0	0	0	0	0	0
(11) ROBERT NICHOLS	(i)	114,489	8,209	4,633	31,896	17,617	176,844	0
	(ii)	0	0	0	0	0	0	0
(12) WENTAO ZHENG	(i)	98,616	3,527	27,168	14,498	10,772	154,581	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
	PART I, LINE 1A	FOREIGN EQUILIZATION FOR EXPATS AND TAXABLE HOUSING FOR EXPATS
	PART I, LINE 4A	PAULA ROSARIO RECEIVED A SEVERANCE PAYMENT OF \$92,423. DEAN TURNER RECEIVED A SEVERANCE PAYMENT OF \$47,125.

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ****Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.**
▶ **Attach to Form 990 or 990-EZ.**

OMB No 1545-0047

2011**Open to Public
Inspection**Name of the organization
COTTON INCORPORATED**Employer identification number**

62-0786018

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	THE FORM 990 IS REVIEWED IN DETAIL WITH THE COMPANY'S AUDIT COMMITTEE AFTER COMPLETION AT THE AUGUST BOARD OF DIRECTOR'S MEETING FOR APPROVAL PRIOR TO FILING. SUBSEQUENT TO REVIEW, THE CHAIRMAN OF THE AUDIT COMMITTEE WILL INFORM THE COMPLETE BOARD OF DIRECTOR'S OF THE PROCEEDINGS AND OUTCOME.
	FORM 990, PART VI, SECTION B, LINE 12C	ALL DIRECTORS ARE REQUIRED TO ATTEST THAT THEY ARE FREE OF ANY CONFLICTS OF INTEREST.
	FORM 990, PART VI, SECTION B, LINE 15	AN INDEPENDENT COMPENSATION COMMITTEE DETERMINES COMPENSATION FOR ALL EMPLOYEES OF THE COMPANY. MINUTES OF THEIR MEETINGS ARE MAINTAINED.
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE UPON REQUEST BY AN APPROPRIATE PARTY.
OVERSIGHT OF AUDIT	FORM 990, PART XI, LINE 2C	THERE HAVE BEEN NO CHANGES DURING THE YEAR IN THE PROCESS FOR OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS.