Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2011

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

Name of foundation HCE FOUNDATION, INC.	**A Employer identification number** 68-0405005
Number and street (or P O box number if mail is not delivered to street address) 3439 BROOKSIDE ROAD #201 — Room/suite	**B** Telephone number 209-951-9999
City or town, state, and ZIP code STOCKTON, CA 95219	**C** If exemption application is pending, check here ▶ ☐
G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change	**D** 1. Foreign organizations, check here ▶ ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation	**E** If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐
I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 1,228,444. **J** Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis.)*	**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received			N/A	
	2 Check ▶ ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	5,934.	5,934.		STATEMENT 1
	4 Dividends and interest from securities	33,308.	33,308.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	53,316.			
	b Gross sales price for all assets on line 6a 504,227.				
	7 Capital gain net income (from Part IV, line 2)		53,316.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total** Add lines 1 through 11	92,558.	92,558.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	2,200.	2,200.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	3,100.	3,100.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	305.	305.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	11,995.	11,995.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	17,600.	17,600.		0.
	25 Contributions, gifts, grants paid	55,750.			55,750.
	26 **Total expenses and disbursements** Add lines 24 and 25	73,350.	17,600.		55,750.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	19,208.			
	b **Net investment income** (if negative, enter -0-)		74,958.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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09440510 758669 28350 2011.03050 HCE FOUNDATION, INC. 28350__2

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

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	47,648.	26,789.	26,789.
	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 6	648,422.	606,391.	719,542.
	c Investments - corporate bonds STMT 7	393,819.	475,917.	482,113.
	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)	1,089,889.	1,109,097.	1,228,444.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	1,596,962.	1,596,962.	
	29 Retained earnings, accumulated income, endowment, or other funds	<507,073.>	<487,865.>	
	30 **Total net assets or fund balances**	1,089,889.	1,109,097.	
	31 **Total liabilities and net assets/fund balances**	1,089,889.	1,109,097.	

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	1,089,889.
2	Enter amount from Part I, line 27a	2	19,208.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,109,097.
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	1,109,097.

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	BANK OF STOCKTON - SEE ATTACHED	P	VARIOUS	VARIOUS
b	BANK OF STOCKTON - SEE ATTACHED	P	VARIOUS	VARIOUS
c	CAPITAL GAINS DIVIDENDS			
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	88,628.		102,615.	<13,987.>
b	413,186.		348,296.	64,890.
c	2,413.			2,413.
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				<13,987.>
b				64,890.
c				2,413.
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 } — 2 — 53,316.

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	51,189.	1,221,566.	.041904
2009	72,913.	1,128,588.	.064606
2008	87,295.	1,448,603.	.060262
2007	91,378.	1,838,840.	.049693
2006	73,635.	1,720,796.	.042791

2	Total of line 1, column (d)	2	.259256
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	.051851
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,314,829.
5	Multiply line 4 by line 3	5	68,175.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	750.
7	Add lines 5 and 6	7	68,925.
8	Enter qualifying distributions from Part XII, line 4	8	55,750.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ________ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	1,499.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0.
3	Add lines 1 and 2	3	1,499.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	1,499.
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	7	0.
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached	8	11.
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	1,510.
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

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

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ RON RISHWAIN Telephone no ▶209-951-9999

Located at ▶3439 BROOKSIDE ROAD #201, STOCKTON, CA ZIP+4 ▶95219

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

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

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

			Yes	No
1a	*During the year did the foundation (either directly or indirectly)*			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? *(If applying section 4942(a)(2) to* ***all*** *years listed, answer "No" and attach statement - see instructions)* N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		X

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

			Yes	No
5a During the year did the foundation pay or incur any amount to				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	☐ Yes ☒ No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A	☐ Yes ☐ No			
If "Yes," attach the statement required by Regulations section 53.4945-5(d).				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b		X
If "Yes" to 6b, file Form 8870.				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No			
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b		

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		2,200.	0.	0.

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

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

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

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

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

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

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

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

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

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

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	1,293,759.
b	Average of monthly cash balances		1b	41,093.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	1,334,852.
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	1,334,852.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	20,023.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	1,314,829.
6	**Minimum investment return** Enter 5% of line 5		6	65,741.

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	65,741.
2a	Tax on investment income for 2011 from Part VI, line 5	2a 1,499.		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	1,499.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	64,242.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	64,242.
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	64,242.

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	55,750.
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	55,750.
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	55,750.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				64,242.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			55,736.	
b Total for prior years ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 55,750.				
a Applied to 2010, but not more than line 2a			55,736.	
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				14.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				64,228.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

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

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

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

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
AMERICAN CANCER SOCIETY, STOCKTON, CA 207 E. ALPINE AVENUE STOCKTON, CA 95204	NONE	PUBLIC CHARITY	TRANSPORTATION FOR CANCER PATIENTS/TOBACCO PREVENTION	6,000.
ADULT DAY CARE 125 SOUTH HUTCHINS, SUITE F LODI, CA 95240	NONE	PUBLIC CHARITY	SENIOR ADULT DAY CARE SERVICES	5,500.
HOSPICE OF SAN JOAQUIN, STOCKTON, CA 3888 PACIFIC AVENUE STOCKTON, CA 95204	NONE	PUBLIC CHARITY	SUPPORT FOR CHILDREN'S BEREAVEMENT PROGRAM AND DAY CARE	7,000.
AMERICAN RED CROSS, STOCKTON, CA 747 N. PERSHING AVENUE STOCKTON, CA 95203	NONE	PUBLIC CHARITY	MATERIALS THAT ASSIST IN CPR TRAINING	4,250.
LODI MEMORIAL HOSPITAL SALVATION ARMY CLINIC, LODI, CA P.O. BOX 3004 LODI, CA 95241	NONE	PUBLIC CHARITY	INCREASE CLINIC OPERATING HOURS	13,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	55,750.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Form **990-PF** (2011)

123611 12-02-11

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion 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					5,934.
4 Dividends and interest from securities					33,308.
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					53,316.
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.		0.	92,558.

13 Total. Add line 12, columns (b), (d), and (e) 13 92,558.

(See worksheet in line 13 instructions to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes)
3-4	THE FOUNDATION USES INTEREST AND DIVIDEND INCOME AS WELL AS STOCK
8	SALES TO PROVIDE GRANTS TO 501(C)(3) ORGANIZATIONS.

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

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

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

Signature of officer or trustee — Date 5/14/12 — Title Director

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Darin Petrick		5/10/12		P00045987

Firm's name ▶ BOWMAN & COMPANY, LLP — Firm's EIN ▶ 94-1481988

Firm's address ▶ 10100 TRINITY PARKWAY, STE 310 STOCKTON, CA 95219 — Phone no (209)473-1040

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
ST. MARY'S INTERFAITH DINING ROOM, STOCKTON, CA 545 WEST SONORA STREET STOCKTON, CA 95203	NONE	PUBLIC CHARITY	PROVIDE FLU VACCINATIONS FOR LOW INCOME INDIVIDUALS	13,500.
Y.M.C.A, STOCKTON, CA 6135 TAM O'SHANTER DR STOCKTON, CA 95210	NONE	PUBLIC CHARITY	PROVIDE LOW INCOME FAMILIES WITH FREE HEALTH SERVICES	2,500.
LOEL CENTER & GARDENS, LODI CALIFORNIA 105 SOUTH WASHINGTON STREET LODI, CA 95240	NONE	PUBLIC CHARITY	PROVIDE DAILY HOT NUTRITIOUS MEALS TO SENIORS	4,000.
Total from continuation sheets				20,000.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
BANK OF STOCKTON	5,934.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	5,934.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BANK OF STOCKTON	35,721.	2,413.	33,308.
TOTAL TO FM 990-PF, PART I, LN 4	35,721.	2,413.	33,308.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	3,100.	3,100.		0.
TO FORM 990-PF, PG 1, LN 16B	3,100.	3,100.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAXES & LICENSES	305.	305.		0.
TO FORM 990-PF, PG 1, LN 18	305.	305.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MEETING EXPENSES	625.	625.		0.
INVESTMENT FEES	9,408.	9,408.		0.
INSURANCE	1,797.	1,797.		0.
OFFICE SUPPLIES	116.	116.		0.
MISCELLANEOUS EXPENSE	49.	49.		0.
TO FORM 990-PF, PG 1, LN 23	11,995.	11,995.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
	606,391.	719,542.
TOTAL TO FORM 990-PF, PART II, LINE 10B	606,391.	719,542.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
	475,917.	482,113.
TOTAL TO FORM 990-PF, PART II, LINE 10C	475,917.	482,113.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 8

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
ROBERT SALTER, M.D. 4260 PINEHURST CIRCLE STOCKTON, CA 95219	DIRECTOR 1.00	250.	0.	0.
CAROL NAKASHIMA, M.D. 999 S. FAIRMONT #200 LODI, CA 95240	DIRECTOR 1.00	250.	0.	0.
JOHN LANDIS P.O. BOX 166 PINEGROVE, CA 95665	DIRECTOR 1.00	250.	0.	0.
BERNICE WAHLER 8233 SAN PABLO STOCKTON, CA 95209	PRESIDENT 6.00	300.	0.	0.
PAUL WANDEL 3640 WOOD DUCK CIRCLE STOCKTON, CA 95207	DIRECTOR 1.00	300.	0.	0.
JACKIE GROVE 3150 DARTMOUTH CT STOCKTON, CA 95207	DIRECTOR 1.00	250.	0.	0.
RON RISHWAIN 3739 BROOKSIDE ROAD STOCKTON, CA 95209	DIRECTOR 1.00	300.	0.	0.
JAMES PARKER 3544 SCHOONER DRIVE STOCKTON, CA 95219	DIRECTOR 1.00	300.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		2,200.	0.	0.

REPORT OF CAPITAL GAINS AND LOSSES FOR YEAR ENDING DECEMBER 31, 2011 DATE: 04/24/12
BANK OF STOCKTON TRUST AND INVESTMENT GROUP

FEDERAL LOSS CARRYOVER
LT .00
ST .00

ACCOUNT: 610009011 HCE FOUNDATION ADMINISTRATOR: RF1

POST DATE CUSIP	DESCRIPTION	DATE SOLD DATE ACQUIRED	PROCEEDS CARRYING VALUE	FED LONG TERM STATE LONG TERM	FED SHORT TERM STATE SHORT TERM
02/16/11 411511306	SOLD 322.165 SHS 02/15/11 @ 62.08 HARBOR INTERNATIONAL FUND	02/15/11 10/15/09	20000.00 17812.50-	2187.50 2187.50	.00 .00
02/18/11 002824100	SOLD 77 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 46.35 ABBOTT LABS	02/15/11 11/11/11	3561.18 4098.55-	.00 .00	537.37- 537.37-
02/18/11 037604105	SOLD 100 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 43.2501 APOLLO GROUP INC CL.A	02/15/11 11/25/09	4314.93 5590.00-	1275.07- 1275.07-	.00 .00
02/18/11 086516101	SOLD 100 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 32.9 BEST BUY COMPANY INC.	02/15/11 11/07/01	3279.94 2711.56-	568.38 568.38	.00 .00
02/18/11 092508100	SOLD 1000 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 11.97 BLACKROCK CREDIT ALLOC INCM TR IV	02/15/11 07/06/09	11869.77 9836.80-	2032.97 2032.97	.00 .00
02/18/11 17275R102	SOLD 510 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 18.6601 CISCO SYSTEMS	02/15/11 01/21/09	9465.47 15188.02-	5722.55- 5722.55-	.00 .00
02/18/11 292505104	SOLD 100 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 30.7901 ENCANA CORP	02/15/11 01/07/04	3068.95 1075.83-	1993.12 1993.12	.00 .00
02/18/11 35906A108	SOLD 23 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 9.49 FRONTIER COMMUNICATIONS	02/15/11 12/23/99	215.96 352.71-	136.75- 136.75-	.00 .00

REPORT OF CAPITAL GAINS AND LOSSES FOR YEAR ENDING DECEMBER 31, 2011
BANK OF STOCKTON TRUST AND INVESTMENT GROUP

DATE: 04/24/12

POST DATE CUSIP	DESCRIPTION	DATE SOLD DATE ACQUIRED	PROCEEDS CARRYING VALUE	FED LONG TERM STATE LONG TERM	FED SHORT TERM STATE SHORT TERM
02/18/11 37733W105	SOLD 140 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 38.3201 GLAXO PLC SPN ADR	02/15/11 09/09/04	5350.71 5792.21-	441.50- 441.50-	.00 .00
02/18/11 404280406	SOLD 117 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 56.81 HSBC HOLDINGS PLC ADS	02/15/11 10/07/09	6634.94 7989.28-	1354.34- 1354.34-	.00 .00
02/18/11 464287564	SOLD 170 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 70.0002 I SHARES: COHEN & STEERS REALTY MAJ	02/15/11 10/15/09	11882.80 8358.90-	3523.90 3523.90	.00 .00
02/18/11 594918104	SOLD 280 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 27.0501 MICROSOFT CORP.	02/15/11 11/11/11	7545.88 8329.75-	441.68- 441.68-	342.19- 342.19-
02/18/11 87612E106	SOLD 43 SHS 02/15/11 TO CAPITAL INSTITUTIONAL SERVICES @ 54.09 TARGET CORP.	02/15/11 11/11/11	2321.53 2472.50-	.00 .00	150.97- 150.97-
03/29/11 921937819	LONG TERM CAPITAL GAINS DIST AT $ .273 PER SHARE VANGUARD INTERMEDIATE-TERM BOND ETF **RECORD DATE 03/25/2011		150.15 .00	150.15 150.15	.00 .00
03/30/11 921937819	SHORT TERM CAPITAL GAINS DIST AT $ .022 PER SHARE VANGUARD INTERMEDIATE-TERM BOND ETF **RECORD DATE 03/25/2011		12.10 .00	.00 .00	12.10 12.10
04/05/11 09348R300	SOLD 400 SHS 03/31/11 TO CAPITAL INSTITUTIONAL SERVICES @ 48.32 BLDRS EMERGING MARKETS 50 ADR INDEX	03/31/11 11/25/09	19287.63 14557.00-	4730.63 4730.63	.00 .00
04/05/11 291011104	SOLD 200 SHS 03/31/11 TO CAPITAL INSTITUTIONAL SERVICES @ 57.87 EMERSON ELEC CO	03/31/11 11/07/01	11553.78 5298.00-	6255.78 6255.78	.00 .00

REPORT OF CAPITAL GAINS AND LOSSES FOR YEAR ENDING DECEMBER 31, 2011 DATE: 04/24/12
BANK OF STOCKTON TRUST AND INVESTMENT GROUP

POST DATE CUSIP	DESCRIPTION	DATE SOLD DATE ACQUIRED	PROCEEDS CARRYING VALUE	FED LONG TERM STATE LONG TERM	FED SHORT TERM STATE SHORT TERM
04/05/11 464287564	SOLD 300 SHS 03/31/11 TO CAPITAL INSTITUTIONAL SERVICES @ 69.43 I SHARES: COHEN & STEERS REALTY MAJ	03/31/11 11/11/09	20798.60 14750.30-	6048.30 6048.30	.00 .00
04/05/11 478160104	SOLD 100 SHS 03/31/11 TO CAPITAL INSTITUTIONAL SERVICES @ 59.33 JOHNSON & JOHNSON	03/31/11 11/11/11	5922.89 5880.54-	.47- .47-	42.82 42.82
04/05/11 921937819	SOLD 550 SHS 03/31/11 TO CAPITAL INSTITUTIONAL SERVICES @ 82.25 VANGUARD INTERMEDIATE-TERM BOND ETF	03/31/11 06/24/10	45181.63 44803.47-	566.48 566.48	188.32- 188.32-
05/06/11 38142V761	SOLD 66.137 SHS 05/05/11 @ 15.12 GOLDMAN SACHS GOVT INCOME FD#657	05/05/11 12/16/09	1000.00 999.48-	.52 .52	.00 .00
06/09/11 244199105	SOLD 160 SHS 06/06/11 TO CAPITAL INSTITUTIONAL SERVICES @ 82.12 DEERE AND CO	06/06/11 11/11/11	13122.95 5822.18-	4735.65 4735.65	2565.12 2565.12
06/09/11 38141G104	SOLD 50 SHS 06/06/11 TO CAPITAL INSTITUTIONAL SERVICES @ 134.76 GOLDMAN SACHS GROUP INC.	06/06/11 11/11/11	6732.87 7688.77-	358.65- 358.65-	597.25- 597.25-
06/09/11 949746101	SOLD 300 SHS 06/06/11 TO CAPITAL INSTITUTIONAL SERVICES @ 26.33 WELLS FARGO & CO.	06/06/11 07/17/08	7868.85 9254.97-	1386.12- 1386.12-	.00 .00
07/29/11 38142Y401	SOLD 729.335 SHS 07/28/11 @ 24.68 GOLDMAN SACHS GRTH OPPOR-INS	07/28/11 06/24/10	18000.00 14798.21-	3201.79 3201.79	.00 .00
07/29/11 411511306	SOLD 365.253 SHS 07/28/11 @ 62.97 HARBOR INTERNATIONAL FUND	07/28/11 10/15/09	23000.00 20194.84-	2805.16 2805.16	.00 .00

POST DATE CUSIP	DESCRIPTION	DATE SOLD DATE ACQUIRED	PROCEEDS CARRYING VALUE	FED LONG TERM STATE LONG TERM	FED SHORT TERM STATE SHORT TERM
08/02/11 G1151C101	SOLD 50 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 59.54 ACCENTURE PLC CL A	07/28/11 11/11/09	2971.94 1961.50-	1010.44 1010.44	.00 .00
08/02/11 H5833N103	SOLD 100 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 36.99 NOBLE CORPORATION BAAR NA	07/28/11 07/06/09	3688.93 2828.00-	860.93 860.93	.00 .00
08/02/11 00738A106	SOLD 200 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 33.7 ADTRAN INC	07/28/11 02/15/11	6719.87 9181.98-	.00 .00	2462.11- 2462.11-
08/02/11 156700106	SOLD 140 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 37.59 CENTURYLINK, INC	07/28/11 11/11/09	5248.50 4914.00-	334.50 334.50	.00 .00
08/02/11 263534109	SOLD 222 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 52.8 E I DU PONT DE NEMOURS AND CO	07/28/11 11/11/11	11699.17 7501.85-	3910.23 3910.23	287.09 287.09
08/02/11 423452101	SOLD 100 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 70.39 HELMERICH & PAYNE INC	07/28/11 07/06/09	7028.86 2798.00-	4230.86 4230.86	.00 .00
08/02/11 428236103	SOLD 100 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 36.66 HEWLETT PACKARD CO	07/28/11 09/08/98	3655.93 2025.56-	1630.37 1630.37	.00 .00
08/02/11 637071101	SOLD 80 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 80.14 NATIONAL OILWELL VARCO INC	07/28/11 07/06/09	6403.08 2374.40-	4028.68 4028.68	.00 .00
08/02/11 693506107	SOLD 75 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 85.5 PPG IND INC	07/28/11 11/11/09	6404.88 4620.00-	1784.88 1784.88	.00 .00

REPORT OF CAPITAL GAINS AND LOSSES FOR YEAR ENDING DECEMBER 31, 2011
BANK OF STOCKTON TRUST AND INVESTMENT GROUP

DATE: 04/24/12

POST DATE CUSIP	DESCRIPTION	DATE SOLD DATE ACQUIRED	PROCEEDS CARRYING VALUE	FED LONG TERM STATE LONG TERM	FED SHORT TERM STATE SHORT TERM
08/02/11 701094104	SOLD 75 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 80.05 PARKER HANNIFIN CORP	07/28/11 11/25/09	5996.13 4119.75-	1876.38 1876.38	.00 .00
08/02/11 78355W601	SOLD 300 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 86.94 RYDEX S&P MIDCAP 400 PURE GROWTH	07/28/11 12/07/09	26051.50 16849.59-	9201.91 9201.91	.00 .00
08/02/11 863667101	SOLD 36 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 54.41 STRYKER CORP	07/28/11 11/11/11	1955.12 1793.07-	.00 .00	162.05 162.05
08/02/11 966837106	SOLD 50 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 67.25 WHOLE FOOD MARKET INC.	07/28/11 11/11/09	3357.44 1436.50-	1920.94 1920.94	.00 .00
08/02/11 29364G103	SOLD 100 SHS 07/28/11 TO CAPITAL INSTITUTIONAL SERVICES @ 68 ENTERGY CORP	07/28/11 11/07/01	6789.87 3765.00-	3024.87 3024.87	.00 .00
08/09/11 78464A359	SOLD 1000 SHS 08/04/11 TO CAPITAL INSTITUTIONAL SERVICES @ 38.7212 SPDR BARCLAY'S CAPITAL CONVERTIBLE	08/04/11 06/06/11	38620.46 42517.84-	.00 .00	3897.38- 3897.38-
09/15/11 464286749	SOLD 430 SHS 09/12/11 TO CAPITAL INSTITUTIONAL SERVICES @ 21.5425 ISHARES: MSCI SWITZERLAND INDEX	09/12/11 07/28/11	9220.10 11304.70-	.00 .00	2084.60- 2084.60-
11/22/11 245912506	LONG TERM CAPITAL GAINS DIST AT $ .052 PER SHARE DELAWARE LTD TERM DIV INC **RECORD DATE 11/19/2011		434.78 .00	434.78 434.78	.00 .00
11/22/11 245912506	SHORT TERM CAPITAL GAINS DIST AT $ .073 PER SHARE DELAWARE LTD TERM DIV INC **RECORD DATE 11/19/2011		610.37 .00	.00 .00	610.37 610.37

REPORT OF CAPITAL GAINS AND LOSSES FOR YEAR ENDING DECEMBER 31, 2011 DATE: 04/24/12
BANK OF STOCKTON TRUST AND INVESTMENT GROUP

POST DATE CUSIP	DESCRIPTION	DATE SOLD DATE ACQUIRED	PROCEEDS CARRYING VALUE	FED LONG TERM STATE LONG TERM	FED SHORT TERM STATE SHORT TERM
12/07/11 722005667	LONG TERM CAPITAL GAINS DIST AT $ .034 PER SHARE PIMCO COMMODITY REAL RETURN FD INST **RECORD DATE 12/06/2011		64.86 .00	64.86 64.86	.00 .00
12/07/11 722005667	SHORT TERM CAPITAL GAINS DIST AT $ .145 PER SHARE PIMCO COMMODITY REAL RETURN FD INST **RECORD DATE 12/06/2011		277.97 .00	.00 .00	277.97 277.97
12/09/11 38142Y401	SHORT TERM CAPITAL GAINS DIST AT $ .065 PER SHARE GOLDMAN SACHS GRTH OPPOR-INS **RECORD DATE 12/06/2011		33.77 .00	.00 .00	33.77 33.77
12/12/11 38142Y401	LONG TERM CAPITAL GAINS DIST AT $ 1.326 PER SHARE GOLDMAN SACHS GRTH OPPOR-INS **RECORD DATE 12/06/2011		681.62 .00	681.62 681.62	.00 .00
12/13/11 880208400	SOLD 5130.229 SHS 12/12/11 @ 12.67 TEMPLETON GLOBAL BOND	12/12/11 03/31/11	65000.00 62130.94-	4030.99 4030.99	1161.93- 1161.93-
12/15/11 464286673	SOLD 800 SHS 12/12/11 TO CAPITAL INSTITUTIONAL SERVICES @ 11.0901 ISHARES: MSCI SINGAPORE INDEX	12/12/11 07/28/11	8791.91 11568.00-	.00 .00	2776.09- 2776.09-
12/15/11 464286731	SOLD 745 SHS 12/12/11 TO CAPITAL INSTITUTIONAL SERVICES @ 11.7301 ISHARES: MSCI TAIWAN INDEX	12/12/11 07/28/11	8664.25 11510.25-	.00 .00	2846.00- 2846.00-
12/15/11 922042858	SOLD 300 SHS 12/12/11 TO CAPITAL INSTITUTIONAL SERVICES @ 38.6501 VANGUARD MSCI EMERGING MARKETS ETF	12/12/11 06/24/10	11564.81 12054.00-	489.19- 489.19-	.00 .00
12/21/11 38142V761	SHORT TERM CAPITAL GAINS DIST AT $ .337 PER SHARE GOLDMAN SACHS GOVT INCOME FD#657 **RECORD DATE 12/13/2011		1196.24 .00	.00 .00	1196.24 1196.24

REPORT OF CAPITAL GAINS AND LOSSES FOR YEAR ENDING DECEMBER 31, 2011
BANK OF STOCKTON TRUST AND INVESTMENT GROUP

DATE: 04/24/12

POST DATE CUSIP	DESCRIPTION	DATE SOLD DATE ACQUIRED	PROCEEDS CARRYING VALUE	FED LONG TERM STATE LONG TERM	FED SHORT TERM STATE SHORT TERM
12/23/11 880208400	LONG TERM CAPITAL GAINS DIST AT $ .079 PER SHARE TEMPLETON GLOBAL BOND **RECORD DATE 12/14/2011		458.22 .00	458.22 458.22	.00 .00
12/29/11 78463X871	LONG TERM CAPITAL GAINS DIST AT $ .204 PER SHARE SPDR INTERNATIONAL SMALL CAP **RECORD DATE 12/20/2011		61.48 .00	61.48 61.48	.00 .00
12/30/11 921937819	LONG TERM CAPITAL GAINS DIST AT $ .937 PER SHARE VANGUARD INTERMEDIATE-TERM BOND ETF **RECORD DATE 12/28/2011		562.20 .00	562.20 562.20	.00 .00
12/30/11 921937819	SHORT TERM CAPITAL GAINS DIST AT $ .081 PER SHARE VANGUARD INTERMEDIATE-TERM BOND ETF **RECORD DATE 12/28/2011		48.60 .00	.00 .00	48.60 48.60
	GRAND TOTALS FOR ACCOUNT		506406.37 .00	67303.15 67303.15	11808.08- 11808.08-

LT CG dividends	2,413		
ST " "	2,179		
LT Proceeds	413,186	LT Basis	348,296
ST Proceeds	88,628	ST Basis	102,615
	506,406		