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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2011

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

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

Name of foundation
RUTH Q DAVIS FOUNDATION INC

A Employer identification number
72-1367496

Number and street (or P O box number if mail is not delivered to street address) Room/suite
P O BOX 400

B Telephone number (see page 10 of the instructions)
(931) 962-1060

City or town, state, and ZIP code
WINCHESTER, TN 373980400

C If exemption application is pending, check here ☐
D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 3,279,956

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	525	525		
	4	Dividends and interest from securities	21,744	21,744		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	1,810,245			
	b	Gross sales price for all assets on line 6a 5,717,508				
	7	Capital gain net income (from Part IV, line 2)		1,810,245		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	-39,624			
	12	**Total.** Add lines 1 through 11	1,792,890	1,832,514		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	24,000			24,000
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits	1,803			1,803
	16a	Legal fees (attach schedule)	48,267	17,500		30,767
	b	Accounting fees (attach schedule)	3,000			3,000
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	1,200			1,200
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	4,531			4,531
	22	Printing and publications				
	23	Other expenses (attach schedule)	10,608	83		10,525
	24	**Total operating and administrative expenses.** Add lines 13 through 23	93,409	17,583		75,826
	25	Contributions, gifts, grants paid	110,000			110,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	203,409	17,583		185,826
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	1,589,481			
	b	**Net investment income** (if negative, enter -0-)		1,814,931		
	c	**Adjusted net income** (if negative, enter -0-)				

Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing		652,610	652,610
	2 Savings and temporary cash investments	215,074	1,581,908	1,581,908
	3 Accounts receivable ▶ ______ Less allowance for doubtful accounts ▶ ______			
	4 Pledges receivable ▶ ______ Less allowance for doubtful accounts ▶ ______			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ ______ Less allowance for doubtful accounts ▶ ______			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	700		
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	386,776	30,184	25,899
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ ______ Less accumulated depreciation (attach schedule) ▶ ______			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ ______ Less accumulated depreciation (attach schedule) ▶ ______			
	15 Other assets (describe ▶ ______)	1,092,243	1,019,539	1,019,539
	16 **Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	1,694,793	3,284,241	3,279,956
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ ______)	1,347	1,314	
	23 **Total liabilities** (add lines 17 through 22)	1,347	1,314	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here** ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☑ **and complete lines 27 through 31.**			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	1,693,446	3,282,927	
	30 **Total net assets or fund balances** (see page 17 of the instructions)	1,693,446	3,282,927	
	31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)	1,694,793	3,284,241	

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	1,693,446
2	Enter amount from Part I, line 27a	2	1,589,481
3	Other increases not included in line 2 (itemize) ▶ ______	3	
4	Add lines 1, 2, and 3	4	3,282,927
5	Decreases not included in line 2 (itemize) ▶ ______	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	3,282,927

Part IV Capital Gains and Losses for Tax on Investment Income

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

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

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

2	Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	1,810,245
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	129,318

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	106,792	1,588,256	0 067239
2009	68,090	1,570,500	0 043356
2008	69,623	1,440,578	0 048330
2007	31,450	1,559,466	0 020167
2006	64,900	1,350,164	0 048068

2	**Total** of line 1, column (d).	2	0 227160
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . .	3	0 045432
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	1,935,247
5	Multiply line 4 by line 3.	5	87,922
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	18,149
7	Add lines 5 and 6.	7	106,071
8	Enter qualifying distributions from Part XII, line 4.	8	185,826

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1			
	Date of ruling or determination letter ____ **(attach copy of letter if necessary–see instructions)**			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b		1	18,149
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	
3	Add lines 1 and 2		3	18,149
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-		5	18,149
6	Credits/Payments			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a 664		
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	664
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached		8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	17,485
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** ▶ 0	**Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ____ **(2)** On foundation managers ▶ $ ____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3	Yes	
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ AL			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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

		Line	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 page 20 of the instructions).	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶LESA N AGEE Telephone no ▶(931) 961-1060

Located at ▶P O BOX 400 WINCHESTER TN ZIP+4 ▶373980400

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 |

		Line	Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		

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

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

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

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

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☐ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
See Additional Data Table				

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		

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

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

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

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

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

Total. Add lines 1 through 3. . . . . ▶

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	394,112
b	Average of monthly cash balances.	1b	598,061
c	Fair market value of all other assets (see page 24 of the instructions).	1c	972,545
d	**Total** (add lines 1a, b, and c).	1d	1,964,718
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation). 1e		
2	Acquisition indebtedness applicable to line 1 assets.	2	
3	Subtract line 2 from line 1d.	3	1,964,718
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions).	4	29,471
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,935,247
6	**Minimum investment return.** Enter 5% of line 5.	6	96,762

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

1	Minimum investment return from Part X, line 6.			1	96,762
2a	Tax on investment income for 2011 from Part VI, line 5.	2a	18,149		
b	Income tax for 2011 (This does not include the tax from Part VI).	2b			
c	Add lines 2a and 2b.			2c	18,149
3	Distributable amount before adjustments Subtract line 2c from line 1.			3	78,613
4	Recoveries of amounts treated as qualifying distributions.			4	
5	Add lines 3 and 4.			5	78,613
6	Deduction from distributable amount (see page 25 of the instructions).			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.			7	78,613

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	185,826
b	Program-related investments—total from Part IX-B.	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	185,826
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions).	5	18,149
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4.	6	167,677

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

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

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				78,613
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only.				
b Total for prior years 20___ , 20___ , 20___				
3 Excess distributions carryover, if any, to 2011				
a From 2006. 52,267				
b From 2007. 302				
c From 2008. 28,916				
d From 2009. 9,372				
e From 2010. 28,451				
f **Total** of lines 3a through e.	119,308			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 185,826				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .				
d Applied to 2011 distributable amount.				78,613
e Remaining amount distributed out of corpus	107,213			
5 Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	226,521			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions)	52,267			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	174,254			
10 Analysis of line 9				
a Excess from 2007. . . . 302				
b Excess from 2008. . . . 28,916				
c Excess from 2009. . . . 9,372				
d Excess from 2010. . . . 28,451				
e Excess from 2011. . . . 107,213				

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

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

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

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

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

1 Information Regarding Foundation Managers:

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

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

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				110,000
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	525	
4 Dividends and interest from securities. . . .			14	21,744	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			14	1,793,883	16,362
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a RUTH Q DAVIS PROPERTIES, LLC			16	-39,624	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				1,776,528	16,362

13 **Total.** Add line 12, columns (b), (d), and (e). 13 1,792,890

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)

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

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

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

******	2012-05-01	******
Signature of officer or trustee	Date	Title

Paid Preparer's Use Only

Preparer's Signature WALLACE E LYONS	Date 2012-05-12	Check if self-employed ☐	PTIN
Firm's name LYONS & MORGAN PC		Firm's EIN	
Firm's address 105 MAE STREET CENTRE, AL 35960		Phone no (256) 927-5431	

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

Additional Data

Software ID:
Software Version:
EIN: 72-1367496
Name: RUTH Q DAVIS FOUNDATION INC

Form 990PF - Special Condition Description:

Special Condition Description

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

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	**(b)** How acquired P—Purchase D—Donation	**(c)** Date acquired (mo , day, yr)	**(d)** Date sold (mo , day, yr)
AKAMAI TECH INC 100 SHS	P	2011-02-18	2011-04-04
APPLE COMPUTER 250 SHS	P	2010-10-15	2011-02-23
AUTOZONE INC 100 SHS	P	2010-10-14	2011-01-27
BAIDU INC ADS 100 SHS	P	2010-11-16	2011-01-06
CENTERPOINT ENERGY 1000 SHS	P	2010-10-22	2011-03-21
DOMINION RESOURCES 2000 SHS	P	2011-11-29	2011-11-30
DUKE ENERGY 30000 SHS	P	2011-11-15	2011-12-30
EXXON MOBILE 3,200 SHS	P	2010-09-13	2011-01-12
GOOGLE 400 SHS	P	2011-04-15	2011-07-21
GREAT PLAINS ENERGY 3100 SHS	P	2011-11-23	2011-11-28
ISHARES SILVER	P	2011-07-15	2011-07-15
LULULEMON ATHLETICA 500 SHS	P	2011-07-12	2011-12-23
SOUTHERN CO 60371 SHS	P	2010-11-01	2011-08-11
SPDR GOLD TRUST 100 SHS	P	2011-01-27	2011-12-23
VERIZON COMMUNICATIONS 1000 SHS	P	2010-11-29	2011-03-17

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

(e) Gross sales price	**(f)** Depreciation allowed (or allowable)	**(g)** Cost or other basis plus expense of sale	**(h)** Gain or (loss) (e) plus (f) minus (g)
3,758		4,204	-446
97,125		84,467	12,658
25,590		23,178	2,412
10,577		10,577	
16,920		16,260	660
103,008		101,930	1,078
634,803		623,082	11,721
243,983		216,651	27,332
239,104		230,969	8,135
61,741		61,575	166
16			16
23,589		21,722	1,867
2,525,743		2,467,981	57,762
15,615		12,827	2,788
35,009		31,840	3,169

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) F M V as of 12/31/69	**(j)** Adjusted basis as of 12/31/69	**(k)** Excess of col (i) over col (j), if any	
			-446
			12,658
			2,412
			660
			1,078
			11,721
			27,332
			8,135
			166
			16
			1,867
			57,762
			2,788
			3,169

Form 990PF Part VIII Line 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
WILLIAM HENRY AGEE P O BOX 400 WINCHESTER, TN 37398	PRESIDENT 4 00	0	0	0
LESA N AGEE P O BOX 400 WINCHESTER, TN 37398	TREASURER 5 00	0	0	0
WALLACE E LYONS 105 MAE ST CENTRE, AL 35960	SECRETARY 1 00	0	0	0
NELSON D AGEE P O BOX 400 WINCHESTER, TN 373980400	DIRECTOR 1 00	0	0	0
CLAY S AGEE P O BOX 400 WINCHESTER, TN 373980400	DIRECTOR 1 00	0	0	0
PATRICK NOLAN P O BOX 400 WINCHESTER, TN 37398	V PRESIDENT 10 00	24,000	0	0

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
AL BAPT CHILDREN'S HOME1210 FRIENDSHIP ROAD OXFORD,AL 36203			HOME FOR NEGLECTED CHILDREN	5,000
ALMOST HOME TRANSITIONAL HOUSING1810 SHARP SPRINGS ROAD WINCHESTER,TN 37398			HOUSING FOR HOMELESS	15,000
ARC OF CALHOUN AND CLEBURNE P O BOX 1848 ANNISTON,AL 36202			HELP FOR INTELLECTUALLY HANDICAPPED	10,000
COMMUNITY CHURCH WO WALLS 1229 COTTON AVE SW BIRMINGHAM,AL 35211			CHRISTIAN MINISTRY TO THE POOR	30,000
COMMUNITY ENABLER DEVELOPER 1411 GURNEE AVE ANNISTON,AL 36201			MEET NEEDS OF THE POOR	10,000
COMMUNITY FOUNDATION OF GR BHAM2100 1ST AVE N BIRMINGHAM,AL 35203			FLOYD TREADAWAY FUND	10,000
PINE HILL UNITED METHODIST CHURCHP O BOX 133 PINE HILL,AL 36769			CHRISTIAN MINISTRY	20,000
SECOND CHANCE INCP O BOX 2714 ANNISTON,AL 36202			CARE FOR ABUSED SPOUSES	5,000
RAINBOW OMEGA INCP O BOX 740 EASTABOGA,AL 36260			HOME FOR DEV DISABLED ADULTS	5,000
Total . . . . ▶ **3a**				110,000

TY 2011 Accounting Fees Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LYONS & MORGAN	3,000			3,000

TY 2011 Compensation Explanation

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Person Name	Explanation
WILLIAM HENRY AGEE	
LESA N AGEE	
WALLACE E LYONS	
NELSON D AGEE	
CLAY S AGEE	
PATRICK NOLAN	

TY 2011 Investments Corporate Stock Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Name of Stock	End of Year Book Value	End of Year Fair Market Value
APPLE COMPUTER		
AUTOZONE		
BAIDU INC ADR		
CENTERPOINT ENERGY		
DEERE & CO	26,997	23,205
EXXON MOBIL CORP		
FLORIDA POWER & LIGHT		
ISHARES SILVER TRUST	3,187	2,694
SOUTHERN COMPANY		
VERIZON COMMUNICATIONS		

TY 2011 Legal Fees Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
WILLIAM HENRY AGEE	48,267			

TY 2011 Other Assets Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
56 795% INTEREST IN RUTH Q DAVIS			
PROPERTIES, LLC	983,020	920,171	920,171
ORGANIZATION EXPENSE NET OF AMORT	109,223	99,368	99,368

TY 2011 Other Expenses Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
AMORTIZATION OF ORG EXPENSE	9,855			9,855
SUPPLIES AND POSTAGE	170			170
INVESTMENT EXPENSE	83	83		
PROFESSIONAL DUES	500			500

TY 2011 Other Income Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
RUTH Q DAVIS PROPERTIES, LLC	-39,624		

TY 2011 Other Liabilities Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Description	Beginning of Year - Book Value	End of Year - Book Value
PAYROLL TAX PAYABLE	1,347	1,314

TY 2011 Taxes Schedule

Name: RUTH Q DAVIS FOUNDATION INC

EIN: 72-1367496

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
990 PF EXCISE TAX	1,200			1,200

BY-LAWS
OF
RUTH Q. DAVIS FOUNDATION, INC.
An Alabama Nonprofit Corporation

ARTICLE I

OFFICES

The principal office of the **RUTH Q. DAVIS FOUNDATION, INC.** (hereinafter sometimes referred to as the "Foundation") in the State of Alabama shall be located in the City of Centre, County of Cherokee. The Foundation may have such other offices, either within or without the State of Alabama, as the Board of Directors may designate or as the business of the Foundation may require from time to time.

The registered office of the Foundation, as required by **ALA. CODE** §10A-3-5.31 (as amended or supplemented from time to time or under any corresponding provision or provisions of any subsequent codification thereof), being maintained in the State of Alabama, may be, but need not be, identical with the principal office in the State of Alabama, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

PURPOSES

The Foundation is a not-for-profit corporation formed and existing pursuant to the Alabama Nonprofit Corporation Law [**ALA. CODE** §10A-3-1.01 et. seq. (as amended or supplemented from time to time or under any corresponding provision or provisions of any subsequent codification thereof)], (hereinafter sometimes referred to as the "Act"). The primary purposes for which the Foundation was organized and exists are the purposes as set forth in ARTICLE III of the ARTICLES OF INCORPORATION of the Foundation, as filed in the office of the Judge of Probate of Calhoun County, Alabama.

ARTICLE III

MEMBERS

Pursuant to the provisions of **ALA. CODE** §10A-3-2.01(a) (as amended or supplemented from time to time or under any corresponding provision or provisions of any subsequent codification thereof), and according to ARTICLE VIII of the ARTICLES OF INCORPORATION of the Foundation, the Foundation shall have no members.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Foundation shall be managed by or under the direction of its Board of Directors. The Board of Directors shall have full power, by majority vote, to adopt rules and regulations governing the actions of the Board of Directors. The rendering of financial assistance for the purposes expressed in the ARTICLES OF INCORPORATION of the Foundation shall be accomplished only by the express action of the Board of Directors, upon recommendation and investigation by at least one (1) member of the Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of directors of the Foundation shall be no less than three (3) and no more than seven (7), as established at any given time by the Board of Directors. Each director shall hold office until a successor shall have been elected and qualified, subject to removal by the Board of Directors as hereinafter provided. Directors need not be residents of the State of Alabama. The Board of Directors shall elect the Directors at an annual meeting of the Board of Directors, or at such other regular meeting or special meeting called for that purpose. In the event that the Board of Directors does not elect the full number of authorized Directors hereunder, the Board of Directors may elect a number of Alternate Directors (for potential future service as hereinafter provided) at the time of election of Directors, so that the total number of elected Directors and Alternate Directors do not exceed the total number of Directors authorized in the Section.

Section 3. Annual, Regular or Special Meetings. The annual meeting of the Board of Directors shall be held on the first Saturday of August of each year, at such time and place as shall be established by the President of the Foundation, or at such other day within such month, or in a subsequent month, as shall be fixed by the Board of Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. The annual meeting of the Board of Directors shall as often as convenient occur in connection with the annual planning session of the Board of Directors. Regular meetings may be held at such times as the Board of Directors shall determine without any other notice than the action of the Board of Directors in setting such regular meeting schedule. Special meetings of the Board of Directors may be called by or at the request of the President or any one director.

Section 4. Place of Meetings. The President of the Foundation and/or the Board of Directors may designate any place, either within or without the State of Alabama, as the place of meeting for any annual meeting of the Board of Directors. The Board of Directors shall designate any place, either within or without the State of Alabama, as the place for said regular meetings in the resolution determining to hold said regular meetings. The President of the Foundation shall designate any place, either within or without the State of Alabama, as the place for any special meeting, and if the President does not designate a place for said special meeting within one week of the receiving the call for same by a Director, the Chairman of the Board of Directors shall designate said place for said special meeting. Furthermore, members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 5. Notice. Notice of the annual meeting shall be given at least one month prior to the date of said annual meeting by personal delivery, or by e-mail transmission, or by facsimile transmission, or by regular mail. The resolution determining to hold a regular meeting shall constitute notice of said regular meeting. Notice of any special meeting shall be given at least one day previously thereto by written notice thereof delivered personally, or by e-mail transmission, or by facsimile transmission, or by regular mail, except that notice by regular mail must be given at least seven (7) days prior to said special meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by e-mail transmission, or by facsimile transmission, such notice shall be deemed to be delivered when the facsimile transmission is transmitted to the person to whom notice is given. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of waiver of notice of such meeting.

Section 6. Quorum. A majority of the number of directors actually serving at any given time shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. Action Without a Meeting. Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of then serving directors.

Section 9. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the directors attending a meeting for that purpose though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall serve until a successor shall have been elected and qualified, subject to removal by the Board of Directors with or without cause. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting, at a regular meeting, or at a special meeting of Board of Directors called for that purpose. In the further event, that all of the currently serving Directors shall resign, become deceased, become incapacitated or otherwise cease to serve as Directors hereunder so that there are no currently serving Directors, then all of the Alternate Directors shall immediately commence to serve as Directors of the Foundation, and such Directors shall serve until their respective successors shall have been elected and qualified, subject to removal by the Board of Directors with or without cause.

Section 10. Compensation. Directors serving on the Board shall be entitled to receive compensation for service as such Directors; however, any such compensation so determined by the Board of Directors to be paid to the Directors is expressly limited to reasonable compensation commensurate with the service of said Directors to the Foundation. Furthermore, each Director shall be reimbursed by the Foundation for expenses actually incurred on behalf of the Foundation or in connection with such service.

Section 11. Chairman and Secretary of the Board of Directors. The Board of Directors at the annual meeting shall elect a Chairman and a Secretary of the Board of Directors, both of which shall serve until the next annual meeting, or until their respective successors are elected, whichever date is the later. Any of the foregoing to the contrary notwithstanding, the Board of Directors at any meeting called for that purpose may by the affirmative vote of the Board of Directors remove the Chairman and/or the Secretary, with or without cause, and at such time a successor shall be elected, which successor shall serve for the remaining term of the Board Officer so replaced. The President of the Foundation shall not serve as either the Chairman or as the Secretary of the Board of Directors.

Section 12. Resignations. Any director of the Foundation may resign at any time either by oral tender of resignation at any meeting of the Board or by giving written notice thereof to the Secretary of the Board of Directors. Such resignation shall take effect at the time specified therefor; and unless otherwise specified with respect thereto, the acceptance of such resignation shall not be necessary to make it effective.

Section 13. Removal of Directors. Any director may be removed, either with or without cause, at any time, by the affirmative vote of the Board of Directors at any meeting of the Board of Directors called for that purpose, and the vacancy in the Board caused by any such removal may be filled by the Board of Directors at such meeting or at any subsequent meeting.

Section 14. Presumption of Assent. A director of the Foundation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless said Director shall file a written dissent to such action with the person acting as the Secretary of the Board of Directors at such meeting before the adjournment thereof or shall forward such dissent by certified mail to the secretary of the Foundation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 15. Committees and Working Groups of the Board of Directors. The Board of Directors shall have the following standing committees: **Executive Committee**, which shall act for and on behalf of the Board of Directors between annual, regular and special meetings thereof, shall supervise the administrative structure of the Foundation and shall periodically review the governing documents, including the By-Laws; **Finance Committee**, which shall oversee the investments and other financial operations of the Foundation; **Grants Committee**, which shall recommend and evaluate the grants made by the Foundation; and **Oversight Committee**, which shall monitor the efforts made by the Foundation to achieve its mission, and shall recommend any amendments to said mission and/or any adjustments in the manner in which the Foundation pursues the accomplishment of said mission. The Board of Directors shall have such other *ad hoc*, special and temporary committees as the Board of Directors shall establish from time to time. The **Executive Committee** shall consist of the Chairman of the Board of Directors, the President and the Treasurer of the Foundation, with the Chairman of the Board of Directors serving as the Chairman of the **Executive Committee**. The **Finance Committee** shall consist of the Chairman of the Board of Directors, the President and the Treasurer of the Foundation, with the Treasurer of the Foundation serving as the Chairman of the **Finance Committee**. The **Grants Committee** shall consist of the Secretary of the Board of Directors and the President and the Treasurer of the Foundation, with the Secretary of the Board of Directors serving as the Chairman of the **Grants Committee**. The **Oversight Committee** shall consist of the Secretary of the Board of Directors and the President and the Treasurer of the Foundation, with the President of the Foundation serving as the Chairman of the **Oversight Committee**. The members of such other *ad hoc*, special and/or temporary committees (as the Board of Directors shall establish from time to time) shall be appointed by the Chairman and approved by the Board of Directors; however, the members of such other *ad hoc*, special and/or temporary committees must be members of the Board of Directors. Each of the other *ad hoc*, special and temporary committees shall have such number of members as the Chairman shall appoint and the Board of Directors shall approve; however, such *ad hoc*, special and/or temporary committees shall each have at least three (3) members thereof. Furthermore, either the Chairman of the Board of Directors or the **Executive Committee** thereof, acting alone, may at any time, without the necessity of approval by the entire Board of Directors, appoint any two (2) members of the Board of Directors to serve as a Working Group to address a specific and limited matter for a short term duration.

ARTICLE V

OFFICERS

Section 1. Number. The officers of the Foundation shall be a President, one or more Vice Presidents (the number thereof to be determined from time to time by the Board of Directors), a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected by the Board of Directors. Any two or more offices may be held by the same person, except that the President and the Secretary shall not be the same person. The failure of the Board of Directors to elect any officer other than a President and a Secretary shall not constitute a violation of these By-Laws.

Section 2. Election and Term of Office. The officers of the Foundation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until a successor shall have been duly elected and shall have qualified or until the death of such officer or until said officer shall resign or shall have been removed in the manner hereinafter provided.

Section 3. Removal. Any officer, or any assistant officer, or agent elected or appointed by the Board of Directors may be removed, with or without cause, at any time, by the affirmative vote of the Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create any contract right in favor of such officer or agent.

Section 4. Vacancies. A vacancy in any office elected or appointed by the Board of Directors because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the chief executive officer of the Foundation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Foundation. If not then serving as an elected member of the Board of Directors, the President shall during the tenure of the term of such President serve as a non-voting ex office member of the Board of Directors, and when present, shall preside at all meetings of the Board of Directors in the absence of the Chairman of the Board of Directors from such meeting thereof. The President may sign (with the Secretary of the Foundation or an Assistant Secretary of the Foundation attesting said signature), any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officers or agent of the Foundation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President shall send all notices in the manner duly specified in accordance with the provisions of these By-Laws or as required by law. In the absence of the President or in the event of the death or resignation of the President, inability or refusal to act, the Chairman of the Board of Directors shall perform the duties of the President until a successor is elected, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President, except that the Chairman of the Board shall continue to serve as both Chairman and President until a successor is elected to the office of President.

Section 6. The Vice Presidents. Any Vice President shall perform such duties as from time to time may be assigned to the said Vice President by the President or by the Board of Directors.

Section 7. The Secretary. The Secretary of the Foundation shall: (a) keep the minutes of the proceedings of the Board of Directors (as prepared by the Secretary of the Board of Directors) in one or more books provided for that purpose; (b) be custodian of the corporate records and of the seal of the Foundation and see that the seal of the Foundation is affixed to all documents the execution of which on behalf of the Foundation under the seal is duly authorized; (c) keep a register of the post office address of each director which shall be furnished to the Secretary of the Board of Direcotors upon request, and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary of the Foundation by the President or by the Board of Directors.

Section 8. The Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Foundation; (b) receive and give receipts for monies due and payable to the Foundation from any source whatsoever, and deposit all such monies in the name of the Foundation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of ARTICLE V of these By-Laws; and (c) in general perform all of the duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of duties hereunder in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 9. Assistant Secretaries and Assistant Treasurers. The Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

Section 10. Salaries. The officers of the Foundation shall be paid salaries, respectively, provided same are reasonable compensation for their services rendered as such officers. Furthermore, each Officer shall be reimbursed by the Foundation for expenses actually incurred on behalf of the Foundation or in connection with such service.

ARTICLE IV

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of an on behalf of the Foundation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Foundation and no evidences of indebtedness issued in its name.

Section 3. Checks, drafts, etc. All checks, drafts or other orders for the payment of money issued in the name of the Foundation, shall be signed by such officer or officers, agent or agents of the Foundation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits. All funds of the Foundation not otherwise employed shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, brokerages or other depositories as the Board of Directors may select.

ARTICLE VII

SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Foundation and the state of incorporation and such other words as the Board of Directors may prescribe.

ARTICLE VIII

WAIVER OF NOTICE

Whenever any notice is required to be given to any director of the Foundation under the provisions of these By-Laws, the ARTICLES OF INCORPORATION, the provisions of the Alabama Nonprofit Corporation Law and any act amendatory thereof, supplementary thereto or substituted therefor, or the Alabama Constitution, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE IX

AMENDMENTS

These By-Laws (or any section thereof) may be altered, amended or repealed and new By-Laws (or any section thereof) may be adopted by the Board of Directors at any annual, regular or special meeting by a majority vote of the then serving Board of Directors.

ARTICLE X

FISCAL YEAR

The fiscal year of the Foundation shall be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

The Board of Directors of the Foundation may from time to time adopt resolutions to take appropriate actions to indemnify persons who shall serve as a director, officer, employee or agent of the Foundation, or shall serve at the request of the Foundation in a similar capacity with another corporation, joint venture, trust or other enterprise, to the extent and in the manner to which the Foundation is granted the power to so indemnify such persons by the Alabama Nonprofit Corporation Law, including, without limitation, the purchase of insurance for such purposes.

ARTICLE XII

CONFLICTS WITH ARTICLES

In the event that any conflict or possibility of conflict arises between these By-Laws and the ARTICLES OF INCORPORATION of the Foundation, the provisions of the ARTICLES OF INCORPORATION shall prevail over and preempt the operation of these By-Laws.

ARTICLE XIII

SEVERANCE

In the event any article, paragraph, section, or phrase of these By-Laws shall be voided by or contrary to the provisions of the Alabama Nonprofit Corporation Law, it shall not affect or impair the validity and operation of the remaining provisions of these By-Laws.

ARTICLE XIV

CAPTIONS

All captions found within these By-Laws are utilized solely for the purposes of convenience and shall in no way be deemed to define, describe, extend, or limit the scope or intent of these By-Laws or any provision contained therein.