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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

OMB No. 1545-0052

2011

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

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation
TALBOTT FOUNDATION 430057018

Number and street (or P O box number if mail is not delivered to street address)
PO BOX 477

Room/suite
CONCORD, NH 03302-0477

City or town, state, and ZIP code

A Employer identification number
80-0313615

B Telephone number (see instructions)
(603) 229-5756

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

G Check all that apply:

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

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

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

Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ **2,244,185.**

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 instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule) if the foundation is not required to attach Sch. B <input checked="" type="checkbox"/>				
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	10	10		STMT 1
4	Dividends and interest from securities	60,992	60,992		STMT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	65,039			
b	Gross sales price for all assets on line 6a	872,536			
7	Capital gain net income (from Part IV, line 2)		65,039		
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)				
12	Total. Add lines 1 through 11	126,041	126,041		
13	Compensation of officers, directors, trustees, etc.	20,848	20,848		
14	Other employee salaries and wages		NONE	NONE	
15	Pension plans, employee benefits		NONE	NONE	
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) STMT. 5	575	575	NONE	NONE
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) STMT. 6	11,428	586		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings		NONE	NONE	
22	Printing and publications		NONE	NONE	
23	Other expenses (attach schedule) STMT. 7	75	75		
24	Total operating and administrative expenses. Add lines 13 through 23	32,926	22,084	NONE	NONE
25	Contributions, gifts, grants paid	115,000			115,000
26	Total expenses and disbursements. Add lines 24 and 25	147,926	22,084	NONE	115,000
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	-21,885			
b	Net investment income (if negative, enter -0-)		103,957		
c	Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see instructions.

JSA

Form 990-PF (2011)

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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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	83,093.	67,946.	67,946.
	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 instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			NONE
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U.S. and state government obligations (attach schedule)	376,824.	462,737.	474,809.
	b	Investments - corporate stock (attach schedule)	1,151,472.	1,158,905.	1,229,370.
	c	Investments - corporate bonds (attach schedule)	564,310.	464,224.	472,060.
	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 ▶)				
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	2,175,699.	2,153,812.	2,244,185.	
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 ▶)			
	23	Total liabilities (add lines 17 through 22)			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>				
	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. ▶ <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	2,175,699.	2,153,812.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see instructions)	2,175,699.	2,153,812.		
31	Total liabilities and net assets/fund balances (see instructions)	2,175,699.	2,153,812.		

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	2,175,699.
2	Enter amount from Part I, line 27a	2	-21,885.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	2,153,814.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 12	5	2.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,153,812.

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 PUBLICLY TRADED SECURITIES			
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 866,548.		807,497.	59,051.
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			59,051.
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	65,039.
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 instructions). If (loss), enter -0- in Part I, line 8	3	

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 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	110,000.	2,274,647.	0.04835915199
2009	15,000.	2,060,603.	0.00727942258
2008	100,000.	81,211.	1.23136028371
2007			
2006			

2 Total of line 1, column (d)	2	1.28699885828
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	0.42899961943
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,339,240.
5 Multiply line 4 by line 3	5	1,003,533.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,040.
7 Add lines 5 and 6	7	1,004,573.
8 Enter qualifying distributions from Part XII, line 4 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.	8	115,000.

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

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', and 'Total credits and payments'. Values include 2,079, 5,640, and 3,561.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns include question number, 'Yes', and 'No'. Questions cover political influence, tax on political expenditures, and state reporting requirements.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) 11 X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address N/A
14 The books are in care of TD BANK, N.A. Telephone no. (603) 229-5756
Located at 143 NORTH MAIN STREET, CONCORD, NH ZIP + 4 03301
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here 15
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 Yes No 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.

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 X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes X 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 X 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 X 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)? 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 X 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) 2b X
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 X 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 X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? 4b X

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

- 5a During the year did the foundation pay or incur any amount to:
 - (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
 - (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
 - (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see 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 instructions)? Yes No
- 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? Yes 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? Yes No

5b			
6b			X
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 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 STATEMENT 13		20,848.	-0-	-0-

2 Compensation of five highest-paid employees (other than those included on line 1 - see 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		NONE	NONE	NONE

Total number of other employees paid over \$50,000 NONE

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 instructions). If none, enter "NONE."

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

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 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	
2	
All other program-related investments. See instructions	
3 NONE	
Total. Add lines 1 through 3	

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	2,298,915.
b	Average of monthly cash balances	1b	75,948.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	2,374,863.
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	NONE
3	Subtract line 2 from line 1d	3	2,374,863.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	35,623.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,339,240.
6	Minimum investment return. Enter 5% of line 5	6	116,962.

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	116,962.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	2,079.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,079.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	114,883.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	114,883.
6	Deduction from distributable amount (see instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	114,883.

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	115,000.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	115,000.
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 instructions)	5	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	115,000.

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				114,883.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			NONE	
b Total for prior years: 20 09 , 20 , 20		NONE		
3 Excess distributions carryover, if any, to 2011:				
a From 2006		NONE		
b From 2007		NONE		
c From 2008		8,357.		
d From 2009		NONE		
e From 2010		1,906.		
f Total of lines 3a through e	10,263.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ 115,000.				
a Applied to 2010, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2011 distributable amount				114,883.
e Remaining amount distributed out of corpus	117.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	10,380.			
b Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instructions			NONE	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	NONE			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	NONE			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	10,380.			
10 Analysis of line 9				
a Excess from 2007		NONE		
b Excess from 2008		8,357.		
c Excess from 2009		NONE		
d Excess from 2010		1,906.		
e Excess from 2011		117.		

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

NOT APPLICABLE

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 foundation 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 foundation had \$5,000 or more in assets at any time during the year - see instructions.)

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

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 <i>Paid during the year</i> SEE STATEMENT 17				
Total ▶ 3a				115,000.
b <i>Approved for future payment</i>				
Total ▶ 3b				

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

- 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... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash (2) Other assets b Other transactions: (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule.

Table with 4 columns: (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

Table with 3 columns: (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) is based on all information of which preparer has any knowledge. Tricia J. Smith 04/24/2012 Trustee

Paid Preparer Use Only Print/Type preparer's name Preparer's signature Date Check if self-employed PTIN Firm's name Firm's address Firm's EIN Phone no

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
TD ASSET MGMT US GOVT INSTL SVS #6	10.	10.
TOTAL	10.	10.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
AT&T INC	727.	727.
AT&T INC 4.45% 05/15/2021 DTD 04/29/11	227.	227.
ABBOTT LABORATORIES	899.	899.
INVESCO INTERNATIONAL GROWTH FUND INSTIT	2,236.	2,236.
AMERICAN EXPRESS CO	403.	403.
AMERICAN TOWER CORP CL A	70.	70.
APACHE CORP COM	132.	132.
APPLIED MATERIALS INC.	91.	91.
ARCHER DANIELS MID	198.	198.
BANK OF AMER CORP 3.125% 06/15/2012 DTD	826.	826.
BNK OF NOVA SCOTIA 2.375% 12/17/2013 DTD	430.	430.
BERKSHIRE HATHAWAY 5.40% 5/15/2018 DTD 1	882.	882.
CAPITAL ONE FINANCIAL CORP	70.	70.
CHEVRONTEXACO CORP	944.	944.
CIMAREX ENERGY CO	33.	33.
CISCO SYSTEMS INC	196.	196.
CISCO SYSTEMS INC 4.950% 02/15/2019 DTD	129.	129.
COCA COLA CO 1.500% 11/15/2015 DTD 11/15	277.	277.
COLGATE PALMOLIVE	501.	501.
CONOCOPHILLIPS 4.750% 02/01/2014 DTD 02/	1,188.	1,188.
CREDIT SUISSE NY 6.000% 02/15/2018 DTD 0	127.	127.
DANAHER CORP	16.	16.
DIAGEO PLC ADR	712.	712.
WALT DISNEY CO	156.	156.
ECOLAB INC	266.	266.
EMERSON ELECTRIC CO	214.	214.
EXELON CORP COM	914.	914.
EXXON MOBIL CORP	690.	690.
FED HOME LN MTG 5.00% 01/30/2014 DTD 01/	1,881.	1,881.
FED HOME LN MTG 4.75% 11/17/2015 DTD 10/	2,138.	2,138.
F.H.L.M.C. NOTES 3.75% 03/27/2019 DTD 0	58.	58.
FNMA 5.375% 06/12/2017 DTD 06/08/07	1,415.	1,415.
CRG468 N590 04/24/2012 07:47:34		

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FIDELITY SPARTAN HIGH INCOME	4,615.	4,615.
GALLAGHER ARTHUR J & CO	315.	315.
GE COMPANY 5.00% 02/01/2013 DTD 1/28/200	1,333.	1,333.
GEN ELEC CAP CORP 5.625% 09/15/2017 DTD	513.	513.
GENERAL ELEC CAP 3.000% 12/09/2011 DTD 1	105.	105.
HARBOR INTERNATIONAL FUND	3,123.	3,123.
HARTFORD MUT FDS INC MIDCAP FD CL Y FD#	103.	103.
HEWLETT PACKARD	141.	141.
HEWLETT PACKARD CO 4.750% 06/02/2014 DTD	921.	921.
HOME DEPOT INC	651.	651.
ILLINOIS TOOL WKS INC	538.	538.
INTERNATIONAL BUSINESS MACHINES	300.	300.
J P MORGAN CHASE & CO	416.	416.
JPMORGAN CHASE & CO 6.00% 01/15/2018 DTD	1,200.	1,200.
PERKINS MID CAP VALUE FUND INSTITUTIONAL	403.	403.
JOHNSON & JOHNSON	788.	788.
L-3 COMMUNICATIONS HLDGS INC COM	257.	257.
LINEAR TECHNOLOGIES CORP	259.	259.
MARATHON OIL	189.	189.
MICROSOFT CORP	578.	578.
ONTARIO PROVINCE 2.950% 02/05/2015 DTD 0	226.	226.
ONTARIO PROV CDA 4.5% 2/03/2015 DTD 2/03	1,009.	1,009.
ORACLE CORP	135.	135.
PAYCHEX INC COM	245.	245.
PEPSICO	552.	552.
PEPSICO INC 3.100% 01/15/2015 DTD 01/14/	1,085.	1,085.
PROCTER & GAMBLE CO	751.	751.
QUALCOMM, INC.	242.	242.
ROYCE SPECIAL EQUITY FD #327	118.	118.
SBC COMMUNICATIONS 5.10% 09/15/2014 DTD	843.	843.
SIGMA ALDRICH CORP	29.	29.
STARBUCKS CORP	66.	66.
STATE STREET CORP COM	3.	3.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
STRYKER CORP COM	200.	200.
SYSCO CORP	99.	99.
TD ASSET MGMT US GOVT INSTL SVS #6	8.	8.
TARGET CORP	480.	480.
3M CO	528.	528.
TOYOTA MOTOR CORP ADR	74.	74.
US BANCORP DEL NEW	350.	350.
U S TREAS. BONDS 4.25% 11/15/2014 DTD 11	2,338.	2,338.
U S TREASURY NOTE 4.875% 08/15/2016 DTD	1,484.	1,484.
U S TREASURY NOTE 4.125% 08/31/2012 DTD	2,280.	2,280.
U S TREASURY NOTE 3.125% 08/31/2013 DTD	884.	884.
U S TREASURY NOTE 3.125% 05/15/2019 DTD	1,334.	1,334.
U S TREASURY BOND 2.625% 08/15/2020 DTD	605.	605.
U S TREASURY NOTE 1.875% 08/31/2017 DTD	274.	274.
UNITED TECHNOLOGIES	541.	541.
UNITEDHEALTH GROUP INC COM	191.	191.
VALERO ENERGY CORP COM	215.	215.
VANGUARD SHORT-TERM FEDERAL FUND(0049*	422.	422.
VANGUARD INFLATION PROTECTED SEC 119	2,834.	2,834.
VERIZON COMMUNICATIONS	917.	917.
WAL-MART STORES 4.55% 5/1/2013 DTD 4/29/	1,593.	1,593.
WELLS FARGO & COMPANY COM NEW	341.	341.
WELLS FARGO & CO 5.625% 12/11/2017 DTD 1	1,227.	1,227.
YUM BRANDS INC	296.	296.
ACE LTD	379.	379.
TOTAL	60,992.	60,992.

FORM 990PF, PART I - ACCOUNTING FEES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
TAX PREPARATION FEE (NON-ALLOC	575.	575.		
TOTALS	575.	575.	NONE	NONE

FORM 990PF, PART I - TAXES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FOREIGN TAXES	5.	5.
990-PF TAXES	10,842.	
FOREIGN TAXES ON QUALIFIED FOR	581.	581.
TOTALS	11,428.	586.
	=====	=====

FORM 990PF, PART I - OTHER EXPENSES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
STATE/PROBATE FEES	75.	75.
TOTALS	----- 75. -----	----- 75. =====

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
40000 FED HOME LN MTG 5.00%	44,424.	43,734.
45000 FED HOME LN MTG 4.75%	49,556.	51,580.
20000 FHLMC NOTES 3.75%	22,344.	22,867.
40000 FNMA 5.375%	47,429.	48,388.
55000 U S TREAS BONDS 4.25%	61,663.	61,076.
50000 U S TREASURY NOTE 4.875%	56,786.	59,309.
85000 U S TREASURY NOTE 3.125%	89,679.	89,065.
40000 U S TREASURY NOTE 3.125%	40,260.	44,856.
50000 U S TREASURY BOND 2.625%	50,596.	53,934.
TOTALS	462,737.	474,809.

FORM 990PF, PART II - CORPORATE STOCK

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DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
190 BED BATH & BEYOND INC	11,623.	11,014.
420 WALT DISNEY CO	10,901.	15,750.
580 HOME DEPOT INC	15,000.	24,383.
360 STARBUCKS CORP	14,035.	16,564.
430 TARGET CORP	23,969.	22,025.
210 YUM BRANDS INC	7,333.	12,392.
370 ARCHER DANIELS MIDLAND CO	13,582.	10,582.
200 COLGATE PALMOLIVE CO	13,807.	18,478.
260 DIAGEO PLC ADR	14,961.	22,729.
320 PROCTER & GAMBLE CO	18,223.	21,347.
340 SYSCO CORP	10,635.	9,972.
130 APACHE CORPORATION	10,757.	11,775.
280 CHEVRON CORPORATION	21,049.	29,792.
350 EXXON MOBIL CORP	24,226.	29,666.
750 MARATHON OIL CORP	22,900.	21,953.
270 SPECTRA ENERGY CORP	7,943.	8,303.
640 VALERO ENERGY CORP	17,695.	13,472.
230 ACE LTD	12,437.	16,128.
300 AMERICAN EXPRESS CO	6,159.	14,151.
100 BERKSHIRE HATHAWAY INC DEL	7,798.	7,630.
340 CAPITAL ONE FINANCIAL CORP	16,768.	14,379.
480 J P MORGAN CHASE & CO	16,628.	15,960.
150 PNC BANK CORP	8,309.	8,651.
690 US BANCORP DEL NEW	13,568.	18,665.
570 WELLS FARGO & CO NEW	12,683.	15,709.
440 ABBOTT LABS CO	21,549.	24,741.
180 CELGENE CORP	11,592.	12,168.
390 GILEAD SCIENCES INC	15,478.	15,963.
320 JOHNSON & JOHNSON CO	18,189.	20,986.

FORM 990PF, PART II - CORPORATE STOCK
 =====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
450 MERCK & CO INC NEW	16,170.	16,965.
320 DANAHAR CORP SHS BEN INT	16,963.	15,053.
330 ILLINOIS TOOL WKS INC	11,351.	15,414.
140 L-3 COMMUNICATIONS HLDGS I	10,896.	9,335.
220 3M CO	13,376.	17,981.
80 UNION PACIFIC CORP	8,099.	8,475.
260 UNITED TECHNOLOGIES	13,600.	19,003.
360 CHECK POINT SOFTWARE TECH	20,538.	18,914.
1000 CISCO SYSTEMS INC	18,047.	18,080.
810 EMC CORPORATION/MASS	9,654.	17,447.
450 HEWLETT PACKARD CO	15,837.	11,592.
140 INTL BUSINESS MACHINES COR	23,303.	25,743.
890 MICROSOFT CORPORATION	20,152.	23,104.
650 ORACLE CORPORATION	20,531.	16,673.
270 QUALCOMM INCORPORATED	12,897.	14,769.
380 ECOLAB INC	18,939.	21,968.
180 AMERICAN TOWER CORP CL A	10,358.	10,802.
400 VERIZON COMMUNICATIONS	11,715.	16,048.
460 EXELON CORP	20,559.	19,950.
4507.871 INVESCO INTERNATIONAL	124,778.	115,447.
948.319 BUFFALO SMALL CAP FD	23,073.	23,642.
2094.824 HARBOR INTERNATIONAL	125,689.	109,874.
1108.893 HARTFORD MUT FDS INC	24,994.	21,646.
1144.129 PERKINS MID CAP VALUE	24,816.	23,089.
1197.726 ROYCE SPECIAL EQUITY	23,535.	23,595.
720 SPDR GOLD TRUST	99,238.	109,433.
TOTALS	1,158,905.	1,229,370.

FORM 990PF, PART II - CORPORATE BONDS

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
10000 AT&T INC 4.45%	10,190.	10,985.
20000 BNK OF NOVA SCOTIA 2.375	20,454.	20,534.
20000 BERKSHIRE HATHAWAY 5.40%	22,087.	23,324.
10000 CISCO SYSTEMS INC 4.950%	10,965.	11,592.
20000 COCA COLA CO 1.500%	19,248.	20,273.
25000 CONOCOPHILLIPS 4.750%	26,141.	27,001.
10000 GE COMPANY 5.00%	10,116.	10,421.
20000 GEN ELEC CAP CORP 5.625%	21,821.	22,136.
20000 HEWLETT PACKARD CO 4.750	21,857.	21,121.
20000 JPMORGAN CHASE & CO 6.00	21,678.	22,314.
30000 ONTARIO PROVINCE 2.950%	31,430.	31,593.
35000 PEPSICO INC 3.100%	35,359.	37,094.
10000 SBC COMMUNICATIONS 5.10%	10,859.	11,014.
20000 WACHOVIA CORP 5.750%	22,601.	22,720.
35000 WAL-MART STORES 4.55%	37,660.	36,941.
8381.238 FIDELITY HIGH INCOME	74,976.	72,414.
5002.364 VANGUARD INFLATION PR	66,782.	70,583.
TOTALS	464,224.	472,060.

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES
=====

DESCRIPTION

AMOUNT

ROUNDING ADJUSTMENT

2.

TOTAL

2.

=====

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

=====

OFFICER NAME:

DEBRA KING, C/O TD BANK, N.A.

ADDRESS:

PO BOX 477
CONCORD, NH 03302-0477

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 1

COMPENSATION 20,848.

TOTAL COMPENSATION: 20,848.
=====

AVERAGE MONTHLY FMV - 990PF, PART X, LINES 1a-1c

MONTH	LINE 1a-FMV SECURITIES	LINE 1b-FMV CASH BALANCES	LINE 1c-FMV OTHER ASSETS
JANUARY	2,278,694.	97,572.	
FEBRUARY	2,313,888.	102,403.	
MARCH	2,300,998.	111,284.	
APRIL	2,363,566.	110,763.	
MAY	2,412,500.	41,361.	
JUNE	2,373,662.	51,945.	
JULY	2,354,226.	51,723.	
AUGUST	2,297,399.	42,266.	
SEPTEMBER	2,141,677.	90,762.	
OCTOBER	2,292,989.	68,799.	
NOVEMBER	2,281,140.	74,552.	
DECEMBER	2,176,235.	67,946.	
TOTAL	27,586,974.	911,376.	
AVERAGE FMV	2,298,915.	75,948.	

=====

RECIPIENT NAME:

BOYS AND GIRLS CLUB OF
POTTSBORO FOUNDATION

ADDRESS:

PO BOX 1089
POTTSBORO, TX 75076

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL OPERATIONS

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 10,000.

RECIPIENT NAME:

UNIVERSITY OF NORTH TEXAS FND
FOUNDATION

ADDRESS:

PO BOX 311250
DENTON, TX 76203-1250

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL OPERATIONS

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 25,000.

RECIPIENT NAME:

PVES FOUNDATION INC
C/O NANCY ANDERSON

ADDRESS:

PO BOX 2347
POTTSBORO, TX 75076

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

BOOT SCOOTIN' BALL CONTRIBUTION

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 10,000.

=====

RECIPIENT NAME:

GRAYSON COUNTY SHELTER

ADDRESS:

331 W. MORTON STREET
DENNISON, TX 75020

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL OPERATIONS

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 10,000.

RECIPIENT NAME:

GRAYSON COUNTY CRISIS PREGNANCY
DBA PREGNANCY CARE CENTER

ADDRESS:

PO BOX 3237
SHERMAN, TX 75091-3237

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL OPERATIONS

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 10,000.

RECIPIENT NAME:

GRAYSON COUNTY COLLEGE FOUNDATION
C/O SHERMAN PELLEY NALL PELLEY & WY

ADDRESS:

PO BOX 2228
SHERMAN, TX 75091-2228

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

BEHALF OF ELLEN M TALBOTT SCHOLARSHIP

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 25,000.

=====

RECIPIENT NAME:

TEXAS TECH FOUNDATION
INC

ADDRESS:

PO BOX 41081
LUBBOCK, TX 79409-1081

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL OPERATIONS

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 25,000.

TOTAL GRANTS PAID: 115,000.
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