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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 , 2011, and ending ,

Name of foundation: The Norton Foundation		A Employer identification number: 86-0836442
Number and street (or P O box number if mail is not delivered to street address): 4835 E. Cactus Road	Room/suite: 115	B Telephone number (see the instructions): (602) 954-8812
City or town: Scottsdale	State: AZ ZIP code: 85254	C If exemption application is pending, check here ► [ ]

G Check all that apply. [ ] Initial return [ ] Initial Return of a former public charity [ ] Final return [ ] Amended return [X] Address change [ ] Name change

D 1 Foreign organizations, check here ► [ ]
2 Foreign organizations meeting the 85% test, check here and attach computation ► [ ]

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ► [ ]

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 2,582,280.

J Accounting method. [X] Cash [ ] Accrual [ ] Other (specify) *(Part I, column (d) must be on cash basis)*

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► [ ]

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

	Line	Description	(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 (att sch)				
	2	Ck ► [X] if the foundn is **not** req to att Sch B				
	3	Interest on savings and temporary cash investments	62.	62.		
	4	Dividends and interest from securities	57,866.	57,866.		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain/(loss) from sale of assets not on line 10	57,636.			
	b	Gross sales price for all assets on line 6a 1,965,970.				
	7	Capital gain net income (from Part IV, line 2)		57,636.		
	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/(loss) (att sch)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	115,564.	115,564.		
OPERATING AND ADMINISTRATIVE EXPENSES	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach sch) L-16b Stmt	817.			817.
	c	Other prof fees (attach sch) L-16c Stmt	30,507.	30,507.		
	17	Interest				
	18	Taxes (attach schedule)(see instrs) See Line 18 Stmt	1,499.			
	19	Depreciation (attach sch) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) Miscellaneous	10.			10.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	32,833.	30,507.		827.
	25	Contributions, gifts, grants paid	121,316.			121,316.
	26	**Total expenses and disbursements.** Add lines 24 and 25	154,149.	30,507.		122,143.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-38,585.			
	b	**Net investment income** (if negative, enter -0-)		85,057.		
	c	**Adjusted net income** (if negative, enter -0-)				

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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	31,372.	59,232.	59,232.
	3	Accounts receivable ► 784.			
		Less: allowance for doubtful accounts ►	2,481.	784.	784.
	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 sch) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) L-10b Stmt	2,319,241.	2,253,339.	2,522,264.
	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 ►)			
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	2,353,094.	2,313,355.	2,582,280.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & 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 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, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	2,353,094.	2,313,355.	
	30	**Total net assets or fund balances** (see instructions)	2,353,094.	2,313,355.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	2,353,094.	2,313,355.	

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	2,353,094.
2	Enter amount from Part I, line 27a	2	-38,585.
3	Other increases not included in line 2 (itemize) ► See Other Increases Stmt	3	-1,154.
4	Add lines 1, 2, and 3	4	2,313,355.
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	2,313,355.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	Schedule 1 - Windhaven Account	P	Various	Various
b	K-I Gains	P	Various	Various
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	1,965,970.		1,909,876.	56,094.
b	0.		0.	1,542.
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a	0.	0.	0.	56,094.
b	0.	0.	0.	1,542.
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	57,636.
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	0.

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 (column (b) divided by column (c))
2010	123,503.	2,569,921.	0.048057
2009	143,660.	2,465,825.	0.058260
2008	162,922.	2,846,927.	0.057227
2007	159,459.	3,451,946.	0.046194
2006	115,368.	3,222,511.	0.035801

2	**Total** of line 1, column (d)	2	0.245539
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	0.049108
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,626,413.
5	Multiply line 4 by line 3	5	128,978.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	851.
7	Add lines 5 and 6	7	129,829.
8	Enter qualifying distributions from Part XII, line 4	8	122,143.

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

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

1 a	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 instrs)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b	1	1,701.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	1,701.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	1,701.
6	Credits/Payments:		
a	2011 estimated tax pmts and 2010 overpayment credited to 2011 — 6a 2,481.		
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	2,481.
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►	10	780.
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ► 780. **Refunded** ►	11	

Part VII-A Statements Regarding Activities

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

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

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

Website address ► N/A

14 The books are in care of ► Roger L. Stevenson Telephone no ► (602) 954-8812

Located at ► 4835 E. Cactus Road Suite 115 Scottsdale AZ ZIP + 4 ► 85254

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 |

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

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly).			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is 'Yes' to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ► ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No			
	If 'Yes,' list the years ► 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 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		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)? **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** X (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 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
John R. Norton 4835 E. Cactus Road Suite 115 Scottsdale AZ 85254	Dir./ Pres. 2.00	0.	0.	0.
Doris S. Norton 4835 E. Cactus Road Suite 115 Scottsdale AZ 85254	Dir./ Sec. 1.00	0.	0.	0.
Michael R. Norton 4835 E. Cactus Road Suite 115 Scottsdale AZ 85254	Director 1.00	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		0.	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				
0				
0				
0				
0				

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		
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" The Norton Foundation supports organizations exempt under IRC Section 501 (c) (3) dedicated to helping meet charitable, educational and scientific needs of the Phoenix Area, State of Arizona, Western United States and United States.	0.
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	0.
2	
All other program-related investments See instructions. 3	
Total. Add lines 1 through 3 ►	None

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	2,538,407.
b	Average of monthly cash balances	1b	128,002.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	2,666,409.
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	2,666,409.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	39,996.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,626,413.
6	**Minimum investment return.** Enter 5% of line 5	6	131,321.

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	131,321.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,701.		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	1,701.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	129,620.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	129,620.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	129,620.

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	122,143.
b	Program-related investments – total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	122,143.
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	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	122,143.

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				129,620.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			119,820.	
b Total for prior years: 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2011				
a From 2006 — 0.				
b From 2007 — 0.				
c From 2008 — 0.				
d From 2009 — 0.				
e From 2010 — 0.				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► $ 122,143.				
a Applied to 2010, but not more than line 2a			119,820.	
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2011 distributable amount				2,323.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011. *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount – see instructions			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				127,297.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9.				
a Excess from 2007 — 0.				
b Excess from 2008 — 0.				
c Excess from 2009 — 0.				
d Excess from 2010 — 0.				
e Excess from 2011 — 0.				

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

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

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
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 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))

John R. and Doris S. Norton

4835 E. Cactus Road Suite 115 Scottsdale, AZ 85254

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

None

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

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

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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

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				
All Saints Episcopal Church 6300 N. Central Ave. Phoenix, AZ 85012	N/A	Public	Operating	1,000.
Arizona Humane Society 1521 W. Dobbins Phoenix, AZ 85041	N/A	Public	Operating	1,500.
Arizona 4-H Youth Foundation P. O. Box 210036 Tucson AZ 85721-0036	N/A	Public	Endowment	1,000.
ASU Foundation - Friends of Dance P. O. Box 875005 Tempe AZ 85287-5005	N/A	Public	Endowment	500.
Barrow Neurological Foundation 350 W. Thomas Road Phoenix, AZ 85013	N/A	Public	Endowment	1,240.
CA. Agricultural Leadership Foundation P. O. Box 479 Salinas CA 93902	N/A	Public	Operating	5,000.
CA. Strawberry Scholarship Fund P. O. 269 Watsonville CA 95077-0269	N/A	Public	Endowment	1,000.
Cato Institute 1000 Massachusetts Ave. N.W. Washington DC 20001	N/A	Public	Operating	2,000.
Central Coast Hospice Foundation P. O. Box 1798 Monterey CA 93942	N/A	Public	Endowment	5,000.
See Line 3a statement				103,076.
Total			► 3a	121,316.
b Approved for future payment				
Central Coast Hospice Foundation P. O. Box 1798 Monterey CA 93942	N/A	Public	Endowment	5,000.
Total			► 3b	5,000.

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 instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b None					
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	62.	
4 Dividends and interest from securities			14	57,866.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	57,636.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				115,564.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . 13 115,564.

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

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

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

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

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

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

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

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) is based on all information of which preparer has any knowledge

[signature] 11/15/12 Treasurer

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Roger L. Stevenson	[signature]	11/15/2012		

Firm's name ► The Norton Companies, LLC — Firm's EIN ► 30-0596465

Firm's address ► P. O. Box 44015, Phoenix AZ 85064-4015 — Phone no (602) 954-8812

Form 990-PF, Page 1, Part I, Line 18
Line 18 Stmt

Taxes	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Income tax	1,499.			
Foreign tax				
Total	1,499.			

Form 990-PF, Page 2, Part III, Line 3
Other Increases Stmt

Partnership K-1 income not on books	-752.
Adjustment to opening cost basis - securities	-402.
Total	-1,154.

Form 990-PF, Page 6, Part VIII, Line 1
Information about Officers, Directors, Trustees, Etc.

(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
Person [X] Business [ ] John P. Norton P. O. Box 6039 Incline Village NV 89450	Director 1.00	0.	0.	0.
Person [X] Business [ ] Melanie M. Norton 4835 E. Cactus Road Suite 115 Scottsdale AZ 85254	Director 1.00	0.	0.	0.
Person [X] Business [ ] Roger L. Stevenson 4835 E. Cactus Road Suite 115 Scottsdale AZ 85254	Treasurer 3.00	0.	0.	0.
Total		0.	0.	0.

Form 990-PF, Page 11, Part XV, line 3a
Line 3a statement

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	Person or Business Checkbox Amount
a Paid during the year				
Crisis Nursery 2334 E. Polk Street Phoenix, AZ 85006	N/A	Public	Operating	Person or [ ] Business [X] 3,050.
Eisenhower Dance Ensemble 17348 W. Twelve Mile Road Southfield, MI 48076	N/A	Public	Operating	Person or [ ] Business [X] 500.
Friends of Channel 8 - KAET-TV 555 N. Central Ave., Suite 500 Phoenix AZ 85004-1252	N/A	Public	Operating	Person or [ ] Business [X] 100.
Grand Canyon Council, Inc. - BSA 2969 N. Grenfield Road Phoenix, AZ 85016	N/A	Public	Operating	Person or [ ] Business [X] 2,000.
Institute For Justice 901 N. Glebe Road Suite 900 Arlington VA 22203	N/A	Public	Operating	Person or [ ] Business [X] 2,000.
Mountain States Legal Foundation 2596 South Lewis Way Lakewood CO 80227	N/A	Public	Operating	Person or [ ] Business [X] 2,000.
New Directions Institute 2833 N. 3rd Street Phoenix AZ 85004	N/A	Public	Operating	Person or [ ] Business [X] 1,500.
NotMYkid 5230 E. Shea Blvd, Suite 100 Scottsdale AZ 85254	N/A	Public	Operating	Person or [ ] Business [X] 1,000.
Phoenix Art Museum 1625 N. Central Ave. Phoenix AZ 85004-1685	N/A	Public	Operating	Person or [ ] Business [X] 1,120.
Phoenix Childrens' Hospital 2929 E. Camelback Road Suite 122 Phoenix AZ 85016	N/A	Public	Operating	Person or [ ] Business [X] 2,500.
Project Centrl 820 E. Cottwood Lane Casa Grande AZ 85122	N/A	Public	Operating	Person or [ ] Business [X] 1,000.
Ronald McDonald House Charities 501 East Roanoke Ave. Phoenix AZ 85004	N/A	Public	Operating	Person or [ ] Business [X] 2,000.
St. Lukes Board of Visitors 1800 E. Van Buren Street Phoenix AZ 85006	N/A	Public	Operating	Person or [ ] Business [X] 18,706.
St. Mary's/Westside Food Bank 4211 N. 43rd Ave. Phoenix AZ 85031	N/A	Public	Operating	Person or [ ] Business [X] 2,050.
Through Each Others Eyes 8234 N. 15th Place Phoenix AZ 85020	N/A	Public	Operating	Person or [ ] Business [X] 1,000.

Form 990-PF, Page 11, Part XV, line 3a Continued
Line 3a statement

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	Person or Business Checkbox Amount
a *Paid during the year*				
U-Mom New Day Centers 3333 E. Van Buren Street Phoenix AZ 85008	N/A	Public	Operating	Person or [ ] Business [X] 2,000.
University of Arizona Foundation P. O. Box 210109 Tucson AZ 85721-010	N/A	Public	Endowment	Person or [ ] Business [X] 10,700.
University of Southern California University Park Los Angeles CA 90089	N/A	Public	Endowment	Person or [ ] Business [X] 1,000.
Valley of the Sun United Way 1515 East Osborn Rd. Phoenix, AZ 85014	N/A	Public	Operating	Person or [ ] Business [X] 22,500.
Wellness Community Arizona 360 East Palm Lane Phoenix AZ 85024	N/A	Public	Operating	Person or [ ] Business [X] 1,500.
Xavier College Preparatory 4710 N. Fifth Street Phoenix AZ 85012-1738	N/A	Public	Endowment	Person or [ ] Business [X] 24,850.
Total				103,076.

Form 990-PF, Page 1, Part I
Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Douglas B. McCulley,	990 PF Review	817.			817.
Total		817.			817.

Form 990-PF, Page 1, Part I
Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Windward Account	Investment Manager	29,655.	29,655.		
K-1 Pass Thru	Investment Mangement	852.	852.		
Total		30,507.	30,507.		

Form 990-PF, Page 2, Part II, Line 10b
L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year Book Value	End of Year Fair Market Value
Windward Management	2,253,339.	2,522,264.
Total	2,253,339.	2,522,264.

April 16, 2012

Timothy L. Rowland
David L. Carmichael

Realized Gains and Losses

From 01/01/2011 to 12/31/2011

Norton Foundation Windhaven G
chg'd to Windward 5/7/08
PO Box 44015
Phoenix, AZ 85064

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
7-10 Yr Treasury Bond Index	05/31/2011	10/05/2011	121 000	12,705.97	11,691 02	1,014.95		1,014.95
Asia Local Debt-ETF	03/17/2011	09/27/2011	25.000	1,247.84	1,250.13	-2.29		-2.29
Asia Local Debt-ETF	05/31/2011	09/27/2011	1,561.000	77,915.04	81,187.61	-3,272.57		-3,272 57
			1,586.000	79,162 88	82,437.74	-3,274.86		-3,274.86
Brazil Fund Inc.	05/31/2011	09/27/2011	2,863.000	72,938 39	82,339.88	-9,401.49		-9,401.49
China 25 Index-ETF Par 0.00	02/04/2009	02/01/2011	2,499.000	107,002.38	66,447.16		40,555.22	40,555.22
Emerging Mkt Local Currency	08/09/2010	05/31/2011	1,551.000	82,821.81	77,566.71	5,255.10		5,255 10
Emerging Mkt Local Currency	08/11/2011	09/27/2011	1,480.000	72,185.61	78,515.48	-6,329.87		-6,329 87
			3,031.000	155,007.42	156,082.19	-1,074.77		-1,074.77
Emerging Mkts Small Cap-ET	06/02/2010	02/01/2011	221.000	11,908.71	9,985.98	1,922.73		1,922.73
Emerging Mkts Small Cap-ET	09/09/2010	02/01/2011	1,817.000	97,910.07	94,431.54	3,478.53		3,478.53
Emerging Mkts Small Cap-ET	10/04/2010	02/01/2011	1,027.000	55,340.48	56,729.08	-1,388.60		-1,388.60
			3,065.000	165,159.26	161,146.60	4,012.66		4,012.66
Emerging Mkts Small Cap-ET	06/02/2010	05/13/2011	1,460.000	80,062.52	65,970.72	14,091.80		14,091.80
			4,525.000	245,221.78	227,117 32	18,104.46		18,104.46
First Tr BICK Index ETF	10/04/2010	05/31/2011	2,514.000	82,281.64	81,386.88	894.76		894.76
Hong Kong Index-ETF	02/01/2011	08/05/2011	4,080.000	70,999.61	79,543 68	-8,544.07		-8,544.07

Schedule 1 Page 1 of 4

Realized Gains and Losses
From 01/01/2011 to 12/31/2011

Norton Foundation Windhaven G

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
Hong Kong Index-ETF	05/31/2011	08/05/2011	4,463.000	77,664.53	86,587.56	-8,923.03		-8,923.03
			8,543.000	148,664 14	166,131.24	-17,467.10		-17,467.10
India Earnings Index-ETF	07/13/2010	02/01/2011	3,244.000	73,791.79	76,372.71	-2,580.92		-2,580.92
MSCI Germany Index-ETF Par 0.00	12/08/2010	05/17/2011	3,404.000	90,210.06	81,593.20	8,616.86		8,616.86
Pimco 15+ Year US TIPS-ETF	10/04/2010	02/01/2011	416 000	21,965.42	23,481.64	-1,516.22		-1,516.22
Pimco 15+ Year US TIPS-ETF	10/04/2010	05/31/2011	537.000	29,904 96	30,311 63	-406.67		-406 67
Pimco 15+ Year US TIPS-ETF	10/04/2010	10/05/2011	255.000	16,310.08	14,393.79		1,916.29	1,916.29
			1,208.000	68,180.46	68,187.06	-1,922.89	1,916.29	-6.60
Powershares QQQ Trust	02/01/2011	05/31/2011	1,385.000	80,276.52	78,917.72	1,358.80		1,358.80
S&P 500 Index	02/01/2011	09/13/2011	608.000	71,299.15	79,460.86	-8,161.71		-8,161.71
South Korea Index-ETF	02/01/2011	03/15/2011	1,203.000	67,951.36	75,974.26	-8,022.90		-8,022.90
South Korea Index-ETF	02/01/2011	05/17/2011	1,347.000	85,670.79	85,068.44	602.35		602.35
			2,550 000	153,622.15	161,042 70	-7,420.55		-7,420.55
SPDR Gold Trust-ETF	05/12/2010	02/01/2011	380.000	49,681.09	46,190.42	3,490.67		3,490.67
SPDR Gold Trust-ETF	05/31/2011	10/05/2011	197.000	31,410.36	29,481.05	1,929.31		1,929.31
SPDR Gold Trust-ETF	05/31/2011	11/23/2011	112.000	18,442.33	16,760.80	1,681 53		1,681.53
			689.000	99,533.78	92,432 27	7,101.51		7,101.51
SPDR S&P Dividend ETF	10/04/2010	02/01/2011	3,742.000	196,076.67	187,937.43	8,139.24		8,139.24

Schedule 1 page 2 of 4

Realized Gains and Losses

From 01/01/2011 to 12/31/2011

Norton Foundation   Windhaven G

Realized Gains and Losses

Description	Date Acquired	Date Sold	Quantity	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
TIPS Bond Index-ETF Par 0.00	09/27/2011	11/23/2011	159.000	18,622.42	18,227 81	394.61		394.61
Vanguard Intl Equity Index-E	10/09/2008	05/31/2011	1,797 000	90,045.94	63,517.30		26,528 64	26,528.64
Vanguard REIT Index-ETF Par 0.00	09/15/2010	10/05/2011	585.000	28,458.06	31,143.16		-2,685.10	-2,685.10
Vanguard REIT Index-ETF Par 0.00	02/01/2011	10/05/2011	508.000	24,712.31	29,010.97	-4,298.66		-4,298.66
			1,093 000	53,170.37	60,154.13	-4,298.66	-2,685.10	-6,983.76
Vanguard REIT Index-ETF Par 0.00	09/15/2010	11/23/2011	206.000	10,790.71	10,966.65		-175.94	-175.94
			1,299.000	63,961.08	71,120.78	-4,298.66	-2,861.04	-7,159.70
Vanguard Total Bond Index-E	06/02/2010	10/05/2011	288.000	24,004.40	23,126 60		877.80	877.80
Vanguard Total Bond Index-E	06/02/2010	11/23/2011	110.000	9,218.05	8,833.08		384.97	384 97
			398.000	33,222.45	31,959.68		1,262.77	1,262.77
Vanguard Total Stock Index-Par 0.00	02/01/2011	11/23/2011	378.000	22,616.67	25,473.42	-2,856 75		-2,856.75
Short Term Gains				1,678,614.12	1,691,448.63	-12,834.51		
Total Long Gains				285,829.62	218,427.74		67,401.88	
Total (Sales)				1,964,443.74	1,909,876.37	-12,834.51	67,401.88	54,567.37

Schedule 1 page 3 of 4

April 16, 2012

Realized Gains and Losses

From 01/01/2011 to 12/31/2011

Norton Foundation Windhaven G

Capital Gain Distributions

Description	Pay Date	Net Proceeds	Cost	Short Term Gains	Total Long Gains	Total Gains
Pimco Short Maturity Strateg	12/13/2011	46.09		46.09		46.09
Vanguard Total Bond Index-E	12/30/2011	581.40		581.40		581.40
Vanguard Total Bond Index-E	12/30/2011	898.88			898.88	898.88
				581.40	898.88	1,480.28
Total (Distributions)						
Total Gains		1,965,970.11	1,909,876.37	**-12,207.02**	**68,300.76**	**56,093.74**
K-I Pass thru						1,542.00
						57,635.74

Schedule 1 page 4 of 4

INFORMATION CONTAINED HEREIN IS BASED ON DATA OBTAINED FROM SOURCES WE CONSIDER TO BE RELIABLE, BUT IS NOT GUARANTEED BY US AS TO ACCURACY AND DOES NOT PURPORT TO BE COMPLETE. THE ACCOUNT CUSTODIAN DOES NOT VERIFY THE ACCURACY OF THE ADVISORY FEE CALCULATION. WE STRONGLY URGE YOU TO COMPARE THIS STATEMENT WITH STATEMENTS RECEIVED FROM THE ACCOUNT CUSTODIAN.

January 17, 2012

Timothy L. Rowland
David L. Carmichael

Unrealized Gains and Losses
As of 12/31/2011

Norton Foundation Windhaven G
chg'd to Windward 5/7/08
PO Box 44015
Phoenix, AZ 85064

Description	Trade Date	Quantity	Unit Cost	Cost Basis	Current Value	Unrealized Short Gain	Unrealized Long Gain	Unrealized Gain (Loss)	% G/L	Symbol
Equity										
Commodity Index-ETF	02/05/2010	3,380	22.323	75,453.05	90,719 20		15,266.15	15,266.15	20.2%	DBC
Commodity Index-ETF	10/05/2011	582	25.835	15,035.74	15,620.88	585.14		585.14	3.9%	DBC
		3,962		90,488.79	106,340.08	585.14	15,266.15	15,851.29	17.5%	
Hong Kong Index-ETF	10/05/2011	5,482	14.208	77,887.71	84,806.54	6,918.83		6,918.83	8.9%	EWH
Hong Kong Index-ETF	11/01/2011	4,426	16.375	72,477.52	68,470.22	(4,007.30)		(4,007.30)	-5.5%	EWH
		9,908		150,365.23	153,276.76	2,911.53		2,911.53	1.9%	
Japanese Yen Currency Trust-ETF Par 0.00	10/05/2011	593	128 235	76,043.36	75,862.49	(180.87)		(180.87)	-0.2%	FXY
Powershares QQQ Trust	02/01/2011	1,411	56.980	80,399.20	78,776.13	(1,623.07)		(1,623.07)	-2.0%	QQQ
SPDR Gold Trust-ETF	05/07/2008	289	86.024	24,860.93	43,925.11		19,064.18	19,064.18	76.7%	GLD
SPDR Gold Trust-ETF	10/16/2008	922	78.619	72,486.91	140,134.78		67,647.87	67,647.87	93.3%	GLD
SPDR Gold Trust-ETF	05/12/2010	196	121.554	23,824.53	29,790.04		5,965.51	5,965.51	25.0%	GLD
SPDR Gold Trust-ETF	05/31/2011	88	149.650	13,169.20	13,375.12	205.92		205.92	1.6%	GLD
		1,495		134,341.57	227,225.05	205.92	92,677.56	92,883.48	69.1%	
Vanguard Div Appreciation-ETF Par 0.00	02/05/2010	2,994	45.347	135,768.84	163,622.10		27,853.26	27,853.26	20.5%	VIG
Vanguard Div Appreciation-ETF Par 0.00	02/01/2011	428	53.712	22,988.69	23,390.20	401.51		401.51	1.7%	VIG
		3,422		158,757.53	187,012.30	401.51	27,853.26	28,254.77	17.8%	
Vanguard Emerging Mkt Stock-ETF Par 0.00	05/31/2011	1,678	49.070	82,339.46	64,116.38	(18,223.08)		(18,223.08)	-22.1%	VWO
Vanguard Emerging Mkt Stock-ETF Par 0.00	10/05/2011	453	35.995	16,305.87	17,309.13	1,003.26		1,003.26	6.2%	VWO
		2,131		98,645.33	81,425.51	(17,219.82)		(17,219.82)	-17.5%	

Schedule 2 page 1 of 3

Unrealized Gains and Losses
As of 12/31/2011

Norton Foundation Windhaven G

Description	Trade Date	Quantity	Unit Cost	Cost Basis	Current Value	Unrealized Short Gain	Unrealized Long Gain	Unrealized Gain (Loss)	% G/L	Symbol
Equity										
Vanguard MSCI EAFE-ETF	05/31/2011	2,144	38.330	82,179.52	65,670.72	(16,508 80)		(16,508.80)	-20.1%	VEA
Vanguard MSCI EAFE-ETF	10/05/2011	424	30 027	12,731.45	12,987.12	255.67		255.67	2.0%	VEA
		2,568		94,910.97	78,657.84	(16,253.13)		(16,253.13)	-17.1%	
Vanguard REIT Index-ETF Par 0.00	09/15/2010	571	53.236	30,397.86	33,118 00		2,720.14	2,720.14	8.9%	VNQ
Vanguard REIT Index-ETF Par 0.00	10/04/2010	2,239	52.496	117,538.31	129,862.00		12,323.69	12,323.69	10.5%	VNQ
		2,810		147,936.17	162,980.00		15,043.83	15,043.83	10.2%	
Vanguard Total Stock Index-ETF Par 0.00	02/04/2009	3,662	42.199	154,532.01	235,466.60		80,934.59	80,934.59	52.4%	VTI
Vanguard Total Stock Index-ETF Par 0.00	02/01/2011	293	67.390	19,745.27	18,839.90	(905.37)		(905.37)	-4.6%	VTI
Vanguard Total Stock Index-ETF Par 0.00	10/05/2011	979	57.689	56,477.63	62,949.70	6,472.07		6,472.07	11.5%	VTI
		4,934		230,754.91	317,256.20	5,566.70	80,934.59	86,501.29	37.5%	
				1,262,643.06	1,468,812.36	(25,606.09)	231,775.39	206,169.30	16.3%	
Fixed Income										
7-10 Yr Treasury Bond Index-ETF	05/31/2011	719	96.620	69,469.78	75,904.83	6,435.05		6,435.05	9.3%	IEF
Asia Local Debt-ETF	03/17/2011	1,541	50.005	77,057.70	77,188.69	130.99		130.99	0.2%	ALD
Investment Grade Corp Bond-ETF	10/05/2011	684	111.294	76,124.89	77,811.84	1,686.95		1,686.95	2.2%	LQD
Pimco 15+ Year US TIPS-ETF	10/04/2010	1,184	56.446	66,832.35	77,256.00		10,423.65	10,423.65	15.6%	LTPZ
Pimco Short Maturity Strategy-ETF	11/18/2010	812	101.120	82,109.44	81,321.80		(787.64)	(787 64)	-1.0%	MINT
TIPS Bond Index-ETF Par 0.00	05/07/2008	1,396	106.482	148,649.08	162,899.24		14,250 16	14,250.16	9.6%	TIP
TIPS Bond Index-ETF Par 0.00	06/16/2008	326	105 185	34,290.23	38,040.94		3,750.71	3,750.71	10.9%	TIP

Schedule 2 page 2 of 3

Unrealized Gains and Losses

As of 12/31/2011

Norton Foundation   Windhaven G

Description	Trade Date	Quantity	Unit Cost	Cost Basis	Current Value	Unrealized Short Gain	Unrealized Long Gain	Unrealized Gain (Loss)	% G/L	Symbol
Fixed Income										
TIPS Bond Index-ETF Par 0.00	09/27/2011	1,015	114.640	116,359.90	118,440.35	2,080.45		2,080.45	1.8%	TIP
		2,737		299,299.21	319,380.53	2,080.45	18,000.87	20,081.32	6.7%	
Vanguard Total Bond Index-ETF	11/04/2008	1,689	74.030	125,036.67	141,099.06		16,062.39	16,062.39	12.8%	BND
Vanguard Total Bond Index-ETF	07/13/2009	754	78.102	58,888.81	62,989.16		4,100.35	4,100.35	7.0%	BND
Vanguard Total Bond Index-ETF	06/02/2010	949	80 301	76,205.35	79,279.46		3,074.11	3,074.11	4.0%	BND
Vanguard Total Bond Index-ETF	02/01/2011	433	79.964	34,624.37	36,172.82	1,548.45		1,548.45	4.5%	BND
		3,825		294,755.20	319,540.50	1,548.45	23,236.85	24,785.30	8.4%	
				965,648.57	1,028,404.19	11,881.89	50,873.73	62,755.62	6.5%	
Cash and Equivalents										
Cash				25,047.23	25,047.23					CASH
				2,253,338.86	2,522,263.78	(13,724.20)	282,649.12	268,924.92	11.9%	

Schedule 2 page 3 of 3

INFORMATION CONTAINED HEREIN IS BASED ON DATA OBTAINED FROM SOURCES WE CONSIDER TO BE RELIABLE, BUT IS NOT GUARANTEED BY US AS TO ACCURACY AND DOES NOT PURPORT TO BE COMPLETE. THE ACCOUNT CUSTODIAN DOES NOT VERIFY THE ACCURACY OF THE ADVISORY FEE CALCULATION. WE STRONGLY URGE YOU TO COMPARE THIS STATEMENT WITH STATEMENTS RECEIVED FROM THE ACCOUNT CUSTODIAN.

Form **8868** (Rev January 2012) Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ▶ ☑
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (*e-file*). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . . . . ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions		
	Name of exempt organization or other filer, see instructions The Norton Foundation	Employer identification number (EIN) or ☑ 86-0836442
	Number, street, and room or suite no. If a P.O box, see instructions. PO Box 44015	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code For a foreign address, see instructions. Phoenix, AZ 85064-4015	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ Roger L. Stevenson

Telephone No. ▶ 602-954-8812 ext. 16 FAX No. ▶ 602-954-8908

- If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box . . . ▶ ☐ . If it is for part of the group, check this box . . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until August 15 , 20 12 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☑ calendar year 20 11 or

▶ ☐ tax year beginning ______, 20 ___, and ending ______, 20 ___.

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	**3a**	$ 2,481
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	**3b**	$ 2,481
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	**3c**	$ 0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ ☑

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions. The Norton Foundation	Employer identification number (EIN) or ☑ 86-0836442
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O box, see instructions. PO Box 44015	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Phoenix, Arizona 85064-4015	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of ▶ Roger L. Stevenson

Telephone No. ▶ 602-954-8812 FAX No. ▶ 602-954-8908

• If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box . . . . ▶ ☐ . If it is for part of the group, check this box . . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until November 15 , 20 12 .

5 For calendar year 11 , or other tax year beginning ______ , 20 ___ , and ending ______ , 20 ___ .

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension Due to circumstances beyond taxpayers control, all information necessary to file a complete and accurate return has not been received from outside parties.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$ 2,481
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$ 2,481
c	**Balance due.** Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$ 0

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Title ▶ Treasurer Date ▶ 8/8/2012