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Form 990-PF

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

OMB No 1545-0052

2011

Department of the Treasury
Internal Revenue Service

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 10-01-2011 , and ending 09-30-2012

G Check all that apply

☐ Initial return

☐ Initial return of a former public charity

☐ Final return

☐ Amended return

☐ Address change

☐ Name change

Name of foundation
Charles & Lois Marie Bright Foundation

Number and street (or P O box number if mail is not delivered to street address)
PO Box 635001

Room/suite

City or town, state, and ZIP code
Nacogdoches, TX 75963

A Employer identification number
75-2717755

B Telephone number (see page 10 of the instructions)
(936) 564-8378

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ☐

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

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

H Check type of organization

☒ Section 501(c)(3) exempt private foundation

☐ Section 4947(a)(1) nonexempt charitable trust

☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)☐\$ 2,582,396

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	2,133,377			
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	15	15		
	4 Dividends and interest from securities.	20,719	20,719		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	23,733			
	b Gross sales price for all assets on line 6a _____ 222,348				
	7 Capital gain net income (from Part IV, line 2)		23,733		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	☐ 231,917	231,917		
	12 Total. Add lines 1 through 11	2,409,761	276,384		
	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 schedule)	☐ 3,000	1,500		1,500
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	☐ 1,004	48		
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	☐ 4	4		
	24 Total operating and administrative expenses.				
	Add lines 13 through 23	4,008	1,552		1,500
	25 Contributions, gifts, grants paid	357,140			357,140
	26 Total expenses and disbursements. Add lines 24 and 25	361,148	1,552		358,640
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	2,048,613			
	b Net investment income (if negative, enter -0-)		274,832		
	c Adjusted net income (if negative, enter -0-)				

Part II

Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

Assets	1	Cash—non-interest-bearing	23,492	174,968	174,968
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges		4,867	
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	402,569	1,168,525	1,281,344
	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)		1,126,084	1,126,084
	Liabilities	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)	426,061	2,474,444	2,582,396
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 ▶ _____)	230		
23		Total liabilities (add lines 17 through 22)	230	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	740,836	3,053,806	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	-315,005	-579,362	
	30	Total net assets or fund balances (see page 17 of the instructions)	425,831	2,474,444	
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	426,061	2,474,444		

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	425,831
2	Enter amount from Part I, line 27a	2	2,048,613
3	Other increases not included in line 2 (itemize) ▶ _____	3	
4	Add lines 1, 2, and 3	4	2,474,444
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	2,474,444

Part IV Capital Gains and Losses for Tax on Investment Income

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

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

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

2	Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	23,733
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010		474,167	
2009	63,981	391,747	0 16332
2008	22,277	313,120	0 07115
2007	23,921	445,049	0 05375
2006	18,133	478,244	0 03792

2	Total of line 1, column (d).	2	0 32613
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 06523
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	2,567,891
5	Multiply line 4 by line 3.	5	167,493
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	2,748
7	Add lines 5 and 6.	7	170,241
8	Enter qualifying distributions from Part XII, line 4.	8	358,640

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

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

1a		Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1				
		Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)				
b		Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	2,748	
c		All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2		Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2		
3		Add lines 1 and 2.		3	2,748	
4		Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4		
5		Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	2,748	
6		Credits/Payments				
a		2011 estimated tax payments and 2010 overpayment credited to 2011	6a			
b		Exempt foreign organizations—tax withheld at source	6b			
c		Tax paid with application for extension of time to file (Form 8868)	6c			
d		Backup withholding erroneously withheld	6d	5,823		
7		Total credits and payments Add lines 6a through 6d.		7	5,823	
8		Enter any penalty for underpayment of estimated tax Check here ☒ if Form 2220 is attached		8	5	
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	3,070	
11		Enter the amount of line 10 to be Credited to 2012 estimated tax	3,070	Refunded	11	

Part VII-AStatements Regarding Activities

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

Part VII-A

Statements Regarding Activities *(continued)*

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions).	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address  N/A	13	Yes	
14	The books are in care of  Wanda Russell Telephone no  (936) 564-8378 Located at  194 CR 2091 Nacogdoches TX ZIP+4  75965			
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		
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
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	1b		No
c	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?.  Organizations relying on a current notice regarding disaster assistance check here. 	1c		No
2	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?.			
2a	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)) 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____	2b		No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions).			
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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.</i>).	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (continued)

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

Part VIII

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Wanda Russell 194 CR 2091 NACOGDOCHES, TX 75965	SEC/TREAS 1 00	0		
Greg Williams 3717 Chevy Chase NACOGDOCHES, TX 75965	Vice President 1 00	0		
Billy Earley PO Box 630786 NACOGDOCHES, TX 75963	PRESIDENT 1 00	0		
2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				

Part VIII

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services.		

Part IX-A

Summary of Direct Charitable Activities

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

Part IX-B

Summary of Program-Related Investments (see page 23 of the instructions)

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

Part X

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	2,425,664
b	Average of monthly cash balances.	1b	181,332
c	Fair market value of all other assets (see page 24 of the instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	2,606,996
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	
3	Subtract line 2 from line 1d.	3	2,606,996
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions).	4	39,105
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,567,891
6	Minimum investment return. Enter 5% of line 5.	6	128,395

Part XI

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

1	Minimum investment return from Part X, line 6.	1	128,395
2a	Tax on investment income for 2011 from Part VI, line 5.	2a	2,748
b	Income tax for 2011 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	2,748
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	125,647
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	125,647
6	Deduction from distributable amount (see page 25 of the instructions).	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	125,647

Part XII

Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	358,640
b	Program-related investments—total from Part IX-B.	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	358,640
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions).	5	2,748
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	355,892
Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years			

Part XIII

Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1	Distributable amount for 2011 from Part XI, line 7			
2	Undistributed income, if any, as of the end of 2011			
a	Enter amount for 2010 only.			
b	Total for prior years 20____, 20____, 20____			
3	Excess distributions carryover, if any, to 2011			
a	From 2006.			
b	From 2007.			
c	From 2008.			
d	From 2009. 6,002			
e	From 2010.			
f	Total of lines 3a through e. 6,002			
4	Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 358,640			
a	Applied to 2010, but not more than line 2a			
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)			
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions). 0			
d	Applied to 2011 distributable amount. 125,647			
e	Remaining amount distributed out of corpus 232,993			
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 5 238,995			
b	Prior years' undistributed income Subtract line 4b from line 2b.			
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.			
d	Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions			
e	Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			
f	Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011. 0			
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions).			
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions).			
9	Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a. 238,995			
10	Analysis of line 9			
a	Excess from 2007.			
b	Excess from 2008.			
c	Excess from 2009. 6,002			
d	Excess from 2010.			
e	Excess from 2011. 232,993			

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

1a

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

b

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

☐ 4942(j)(3) or ☐ 4942(j)(5)

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.	Tax year	Prior 3 years			(e) Total
		(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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 XVSupplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1

Information Regarding Foundation Managers:

a

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

Billy Earley

b

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

2

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

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

a

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

Wanda Russell
194 CR 2091
NACOGDOCHES, TX 75965
(936) 564-8378

b

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

NO SET FORMAT REQUIRED

c

Any submission deadlines

NONE

d

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

NONE

Form 990-PF (2011)

Part XV

Supplementary Information (continued)

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

Recipient	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
Name and address (home or business)				
a Paid during the year See Additional Data Table				
Total			3a	357,140
b Approved for future payment				
Total			3b	

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments.					
3 Interest on savings and temporary cash investments			14	15	
4 Dividends and interest from securities.			14	20,719	
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.			14	231,917	
8 Gain or (loss) from sales of assets other than inventory			18	23,733	
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).				276,384	
13 Total. Add line 12, columns (b), (d), and (e).				276,384	276,384

[illegible]

Part XVII

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?		Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash.	1a(1)		No
	(2) Other assets.	1a(2)		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
	(3) Rental of facilities, equipment, or other assets.	1b(3)		No
	(4) Reimbursement arrangements.	1b(4)		No
	(5) Loans or loan guarantees.	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

[illegible]

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

b If "Yes," complete the following schedule		
(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge				
	*****			2013-01-15	*****
	Signature of officer or trustee			Date	Title
	Paid Preparer's Use Only	Preparer's Signature ▶ ROBERT G LINDSEY PC CPA		Date	Check if self-employed ▶ ☒
		Firm's name ▶ Axley & Rode LLP		Firm's EIN ▶	
Firm's address ▶ 1307 S 1st St Lufkin, TX 759014717		Phone no (936) 634-6621			

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

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2011

Name of organization Charles & Lois Marie Bright Foundation	Employer identification number 75-2717755
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Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	☐ 501(c)() (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule—

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ, that met the 33¹/₃% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or 990-EZ, that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An Organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer “No” on Part IV, line 2 of its Form 990, or check the box in the heading of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization Charles & Lois Marie Bright Foundation	Employer identification number 75-2717755
---	---

Part I

Contributors (see Instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	CHARLES R BRIGHT 706 VIRGINIA AVE NACOGDOCHES, TX 75961	\$ 2,312,920	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization Charles & Lois Marie Bright Foundation	Employer identification number 75-2717755
---	---

Part III

Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. (Complete columns (a) through (e) and the following line entry)
For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **\$1,000 or less** for the year (Enter this information once See instructions) ➤ \$
Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—			
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
—			
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
—			
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee
—			
	(e) Transfer of gift		
	Transferee's name, address, and ZIP 4		Relationship of transferor to transferee

Additional Data

Software ID: 11000144
Software Version: 2011v1.5
EIN: 75-2717755
Name: Charles & Lois Marie Bright Foundation

Form 990PF - Special Condition Description:

Special Condition Description

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

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
100 Chevron Corporation Com	P	2006-07-01	2012-03-21
300 Verizon Communications	P	2006-09-30	2012-03-21
200 Home Depot Inc	P	2007-09-30	2012-03-21
100 Chevron Corporation Com	P	2006-07-01	2012-03-21
100 Caterpillar Inc	P	2009-09-30	2012-03-21
376 SPDR TR S&P 500	P	2004-12-31	2012-02-14
1300 pilgrims pride	P	2006-07-01	2011-12-14
200 pilgrims pride	P	2006-07-01	2011-12-14
354 powershares Q Q Q	P	2004-12-31	2011-12-14
1000 powershares Q Q Q	P	2004-12-31	2011-12-14
120 Frontier Communications Corp	P	2010-07-06	2011-12-14
1875 Windstream	P	2009-09-30	2011-12-14
440 Pfizer Inc	P	2006-07-01	2011-12-14
500 Bank of America	P	2006-07-01	2011-12-14

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
10,600		4,704	5,896
11,915		8,730	3,185
9,920		7,274	2,646
10,779		4,704	6,075
11,060		3,754	7,306
50,772		44,118	6,654
7,800		23,027	-15,227
1,190		3,543	-2,353
19,505		13,897	5,608
55,089		39,258	15,831
577		962	-385
21,273		15,829	5,444
9,223		14,236	-5,013
2,645		14,579	-11,934

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			5,896
			3,185
			2,646
			6,075
			7,306
			6,654
			-15,227
			-2,353
			5,608
			15,831
			-385
			5,444
			-5,013
			-11,934

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

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
Grace Covenant Presbyterian Church 340 NE Stallings Drive Nacogdoches,TX 75965	None	Public	general operations	9,200
City of NacogdochesPO Box 631402 Nacogdoches,TX 75963	None	Public	statue	126,640
Nacogdoches Senior Center621 Harris STreet Nacogdoches,TX 75964	None	Public	general operations	14,950
Womens Shelter of East TexasPO Box 510 lufkin,TX 75902	None	Public	general operations	21,200
Cal Farley's Boys RanchPO Box 1890 Amarillo,TX 79105	None	Public	general operations	11,500
Millard's CrossingPO Box 643221 Nacogdoches,TX 75963	None	Public	general operations	20,700
Regents Academy200 NE Stallings Drive Nacogdoches,TX 75965	None	Public	capital fund	20,700
The Helping HOusePO Box 631513 Nacogdoches,TX 75963	None	Public	general operations	11,500
Love IncPO Box 630423 Nacogdoches,TX 75963	None	Public	general operations	11,500
Nacogdoches Treatment Center119 Hughes Nacogdoches,TX 75961	None	Public	general operations	14,950
First Christian Church702 N Mound Street Nacogdoches,TX 75961	None	Public	Building fund	20,700
First Baptist Church411 north street nacogdoches,TX 75961	None	Public	Building fund	20,700
Harmony Baptist ChurchPO Box 635072 Nacogdoches,TX 75963	None	Public	general operations	20,700
Guiding Eyes for the Blind611 Granite Springs Road Yorktown Heights, NY 10598	None	Public	training and needs for guiding eye dogs for the blind	11,500
Godtel Ministries330 East Main Street Nacogdoches,TX 75961	None	Public	For General Operations	20,700
Total  3a				357,140

TY 2011 Accounting Fees Schedule

Name: Charles & Lois Marie Bright Foundation

EIN: 75-2717755

Software ID: 11000144

Software Version: 2011v1.5

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
axley & rode	3,000	1,500	0	1,500

**TY 2011 Investments Corporate
Stock Schedule**

Name: Charles & Lois Marie Bright Foundation

EIN: 75-2717755

Software ID: 11000144

Software Version: 2011v1.5

Name of Stock	End of Year Book Value	End of Year Fair Market Value
200 WHOLE FOODS MKT	16,863	19,480
600 WASHINGTON REAL ESTATE	17,587	16,092
800 WAL-MART STORES	48,293	59,040
200 UNITED TECH CORP	16,340	15,658
150 UNION PAC CORP	16,323	17,805
200 TORONTO DOMINION	16,603	16,668
400 THE HERSEY COMPANY	24,644	28,356
500 TEXAS INSTRUMENTS INC	16,409	13,777
600 SYSCO CORP	17,668	18,762
2,000 SOUTHWEST AIRLINES CO	16,090	17,540
400 SOUTHERN CO	17,712	18,436
200 SMUCKER J M CO	15,819	17,266
300 SIEMENS A.G.	27,660	30,045
200 SHERWIN WILLIAMS CO	22,079	29,782
300 SCOTTS MIRACLE-GRO	15,523	13,041
300 RAYTHEON CO	15,832	17,148
300 POLARIS INDUSTRIES INC	22,107	24,261
225 PHILLIPS 66	5,652	10,433
800 PFIZER INC	17,618	19,880
300 PEPSICO INC	19,580	21,231
400 NUCOR CORP	17,028	15,304
240 NORFOLK SOUTHERN CORP	16,077	15,271
600 MICROSOFT CORP	18,933	17,856
150 LOCKHEED MARTIN COM	13,576	14,007
400 JP MORGAN CHASE & CO	17,737	16,192
80 INTL BUSINESS MACHINES	16,234	16,596
600 INTEL CORP	16,700	13,593
300 HEINZ H J CO	15,915	16,785
280 GENUINE PARTS CO	17,423	17,088
440 GENERAL MILLS INC	16,986	17,534

Name of Stock	End of Year Book Value	End of Year Fair Market Value
800 GENERAL ELECTRIC	15,674	18,168
240 FEDEX CORPORATION	21,992	20,309
550 DOW CHEMICAL	18,443	15,925
300 DEERE & CO	23,781	24,741
400 CULLEN FROST BANKERS	23,155	22,972
500 COCA COLA CO	18,587	18,965
340 CLOROX COMPANY	23,362	24,497
300 CH ENERGY GROUP	19,924	19,563
300 CANON INC	13,983	9,603
400 BRISTOL-MYERS SQUIBB	13,034	13,500
900 BRIGGS & STRATTON CORP	15,747	16,803
600 BEMIS INC COM	18,796	18,882
300 BECTON DICKINSON & CO	23,013	23,568
340 BAXTER INTERNATIONAL	20,062	20,492
600 AT&T INC	18,625	22,620
500 ARCHER DANIELS MIDLAND CO	15,425	13,590
30 APPLE INC	18,362	20,013
80 AMAZON	18,386	20,346
500 AM EREN CORP	15,777	16,335
300 3M CO	26,046	27,726
400 Caterpillar, Inc	21,506	34,416
186 spdr dow jones ia	19,976	24,933
440 Walgreens	19,151	16,034
700 Lowes	19,684	21,168
400 Home Depot	14,548	24,148
450 Conoco Phillips	19,020	25,731
200 Verizon	5,820	9,114
400 Ingersoll-Rand	15,950	17,928
50 Spdr tr s&p 500	5,867	7,199
334 Merck & Co Inc	19,549	15,062

Name of Stock	End of Year Book Value	End of Year Fair Market Value
359 johnson & johnson	20,565	24,739
700 exxon mobil	42,297	64,015
200 chevron	9,407	23,312

TY 2011 Investments - Other Schedule**Name:** Charles & Lois Marie Bright Foundation**EIN:** 75-2717755**Software ID:** 11000144**Software Version:** 2011v1.5

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ANNUITY-NY LIFE #612	AT COST	65,835	65,835
ANNUITY-AVIVA IL #7894	AT COST	315,155	315,155
ANNUITY-F&G OLD MUTUAL #7538	AT COST	204,704	204,704
ANNUITY-LINCOLN #5351	AT COST	154,061	154,061
ANNUITY-AMERICAN GENERAL #31679F	AT COST	284,108	284,108
ANNUITY-AMERICAN GENERAL #36065F	AT COST	102,221	102,221

TY 2011 Other Expenses Schedule

Name: Charles & Lois Marie Bright Foundation

EIN: 75-2717755

Software ID: 11000144

Software Version: 2011v1.5

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment Expense	4	4		

TY 2011 Other Income Schedule

Name: Charles & Lois Marie Bright Foundation

EIN: 75-2717755

Software ID: 11000144

Software Version: 2011v1.5

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
Other Investment Income	231,917	231,917	

TY 2011 Taxes Schedule**Name:** Charles & Lois Marie Bright Foundation**EIN:** 75-2717755**Software ID:** 11000144**Software Version:** 2011v1.5

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
foreign tax	48	48		
Excise Taxes	956			

20965505
NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
(A DELAWARE CORPORATION)
PO BOX 130539
DALLAS TX 75313-0539
www.newyorklife.com



August 1, 2012

Agent
DALLAS GENERAL OFFICE
(972) 387-2929



>005034 2110615 0001 092154 102
CHARLES AND LOIS MARIE BRIGHT FOUNDATION
803 W SEALE ST
NACOGDOCHES TX 75964-5226

Policy: 51 314 140
Annuitant: Mr Charles R Bright

Dear Policyowner:

05

Recently, we completed a full surrender in the amount of \$264,606.89 on your policy. Any surrender charge and tax withholding will be deducted from your payment.

The following Statement of Account shows the elements of the Full Surrender:			
Cash Value as of 08/01/2012	\$270,430.08	Surrender Charge	\$0.00
		Federal Tax Withheld	5,823.19
		Check Amount	264,606.89
Total	\$270,430.08	Total	\$270,430.08
Federal Taxable Gain	\$58,231.86		
State Taxable Gain	\$58,231.86		

The federal and / or state gain shown above represents the gain in this policy. This taxable gain is reportable as ordinary income to the federal / state taxing authorities. No part of this payment is reportable as taxable income unless an amount is shown as federal or state gain. A federal tax penalty of 10% of the federal gain may apply if the policyowner is under age 59 1/2 at the time of the withdrawal / surrender. **If you have any questions about the tax treatment of this transaction, we suggest you consult your tax advisor or the local IRS office.**

If you have any questions regarding the surrender or withdrawal information, please contact one of our customer service representatives toll free at 1-800-695-1314.

Please retain this very important tax information for your records.

CHARLES AND LOIS BRIGHT FOUNDATION
AVERAGE OF MONTHLY ASSET BALANCES
FORM 990-PF - PART X, LINE 1-A and Line 1-b

EIN 75-2717755

SEPTEMBER 30, 2012

DATE	SECURITIES	MO AVG	ANNUITIES	MO AVG	CASH	MO AVG	TOTAL
9/30/2011	414,627		0		23,492		438,119
10/31/2011	455,909	435,268	2,312,920	1,156,460	24,536	24,014	2,793,365
11/30/2011	461,864	458,887	2,312,920	2,312,920	25,128	24,832	2,799,912
12/31/2011	347,542	404,703	2,312,920	2,312,920	27,204	26,166	2,687,666
1/31/2012	357,821	352,682	2,312,920	2,312,920	27,739	27,472	2,698,480
2/29/2012	323,396	340,609	1,661,806	1,987,363	707,761	367,750	2,692,963
3/31/2012	601,010	462,203	1,390,238	1,526,022	710,434	709,098	2,701,682
4/30/2012	1,230,016	915,513	1,390,238	1,390,238	93,086	401,760	2,713,340
5/31/2012	1,189,348	1,209,682	1,390,238	1,390,238	75,801	84,444	2,655,387
6/30/2012	1,236,073	1,212,711	1,390,238	1,390,238	80,627	78,214	2,706,938
7/31/2012	1,244,469	1,240,271	1,390,238	1,390,238	18,925	49,776	2,653,632
8/31/2012	1,258,732	1,251,601	1,126,084	1,258,161	285,513	152,219	2,670,329
9/30/2012	1,281,344	1,270,038	1,126,084	1,126,084	174,968	230,241	2,582,396
TOTAL	9,987,524		20,116,844		2,251,722		32,356,090
Monthly Average		796,180		1,629,484		181,332	2,606,996