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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

2012

Open to Public Inspection

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 2012 or tax year beginning

, 2012, and ending

, 20

Name of foundation **WILLIAM COLTRANE & NORMA CRAFT CANNON**
1019869198A Employer identification number
25-6893619

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

Room/suite

B Telephone number (see instructions)

1525 W W.T. HARRIS BLVD. D1114-044

704-262-4350

City or town, state, and ZIP code

CHARLOTTE, NC 28288

C If exemption application is pending, check here ☐

G Check all that apply

Initial return

Initial return of a former public charity

Final return

Amended return

Address change

Name change

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

Fair market value of all assets at end

J Accounting method ☒ Cash ☐ Accrual

of year (from Part II, col (c), line

☐ Other (specify) _____

16) ▶ \$ 8,111,004.

(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 instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc. received (attach schedule)				
2 Check ☒ if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	160,365.	160,365.		STMT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	148,292.			
b Gross sales price for all assets on line 6a	607,868.			
7 Capital gain net income (from Part IV, line 2)		148,292.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total Add lines 1 through 11	308,657.	308,657.		
13 Compensation of officers, directors, trustees, etc.	70,663.	52,997.		17,666
14 Other employee salaries and wages		NONE	NONE	
15 Pension plans, employee benefits		NONE	NONE	
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see instructions) STMT. 2	6,752	4,715.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings		NONE	NONE	
22 Printing and publications		NONE	NONE	
23 Other expenses (attach schedule) STMT. 3	166.	166.		
24 Total operating and administrative expenses Add lines 13 through 23	77,581.	57,878	NONE	17,666.
25 Contributions, gifts, grants paid	339,500			339,500.
26 Total expenses and disbursements Add lines 24 and 25	417,081.	57,878.	NONE	357,166
27 Subtract line 26 from line 12	-108,424.			
a Excess of revenue over expenses and disbursements		250,779		
b Net investment income (if negative, enter -0-)				
c Adjusted net income (if negative, enter -0-)				

JSA For Paperwork Reduction Act Notice, see instructions

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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	NONE			
	2	Savings and temporary cash investments	104,955.	109,648.	109,648	
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶	NONE			
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule) . STMT 4	6,416,002.	6,302,885	8,001,356.	
	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)	6,520,957.	6,412,533	8,111,004		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
23	Total liabilities (add lines 17 through 22)		NONE			
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. ▶ ☒ X					
	27	Capital stock, trust principal, or current funds	6,520,957.	6,412,533.		
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)	6,520,957.	6,412,533.		
	31	Total liabilities and net assets/fund balances (see instructions)	6,520,957.	6,412,533		

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	6,520,957.
2	Enter amount from Part I, line 27a	2	-108,424.
3	Other increases not included in line 2 (itemize) ▶ <u>MUTUAL FUND TAX EFFECTIVE DATE BEFORE TYE</u>	3	1.
4	Add lines 1, 2, and 3	4	6,412,534.
5	Decreases not included in line 2 (itemize) ▶ <u>MUTUAL FUND POSTING DATE AFTER TYE</u>	5	1.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	6,412,533.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a PUBLICLY TRADED SECURITIES					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a 607,868.		459,576.	148,292.		
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a			148,292.		
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)			2	148,292.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8			3		

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

(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))
2011	329,864.	7,172,208	0.045992
2010	289,468.	6,581,402	0.043983
2009	262,190.	5,692,349.	0.046060
2008	235,006.	7,555,856.	0.031102
2007	156,166.	5,579,195	0.027991
2 Total of line 1, column (d)			2 0.195128
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 0.039026
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 7,799,868.
5 Multiply line 4 by line 3			5 304,398
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,508
7 Add lines 5 and 6			7 306,906
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions			8 357,166

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1		
	Date of ruling or determination letter (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	2,508.
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	2,508.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	NONE
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	2,508.
6	Credits/Payments		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	1,500.
b	Exempt foreign organizations - tax withheld at source	6b	NONE
c	Tax paid with application for extension of time to file (Form 8868)	6c	NONE
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	1,500.
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	1,008.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2013 estimated tax ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?		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?		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?		X
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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
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?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ NC		
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	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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>Wells Fargo Bank NA</u> Telephone no <u>(704) 262-2347</u> Located at <u>868 N CHURCH STREET, CONCORD, NC</u> ZIP+4 <u>28205</u>			
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 <u>15</u>			
16	At any time during calendar year 2012, 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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country <u></u>	16	Yes	No X

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)? Organizations relying on a current notice regarding disaster assistance check here ☐	1b	X
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 2012?	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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years <u></u> ☐ Yes ☒ 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 instructions)	2b	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u></u>		
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 2012 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 2012)	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 2012?	4b	X

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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 ☒ Nob If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ NoOrganizations 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 ☒ Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ Nob If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ 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 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
Wells Fargo Bank NA 1525 W WT Harris Blvd D1114-044, Charlotte, NC 28288-	Co- Trustee 40	47,109		- 0 -
William C Cannon Jr PO Box 1210, Concord, NC 28026-1210	Co- Trustee 40	23,554		

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

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 instructions). If none, enter "NONE"

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation

Total number of others receiving over \$50,000 for professional services **NONE****Part IX-A** Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE -----	
2 -----	
3 -----	
4 -----	

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

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

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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	7,814,046
b	Average of monthly cash balances	1b	104,602.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	7,918,648
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	7,918,648
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	118,780
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7,799,868
6	Minimum investment return. Enter 5% of line 5	6	389,993

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	389,993
2a	Tax on investment income for 2012 from Part VI, line 5	2a	2,508.
b	Income tax for 2012 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	2,508
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	387,485
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	387,485
6	Deduction from distributable amount (see instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	387,485

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	357,166
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	357,166.
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	2,508.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	354,658

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				387,485
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			338,981.	
b Total for prior years 20 <u>10</u> , 20 <u> </u> , 20 <u> </u>		NONE		
3 Excess distributions carryover, if any, to 2012				
a From 2007	NONE			
b From 2008	NONE			
c From 2009	NONE			
d From 2010	NONE			
e From 2011	NONE			
f Total of lines 3a through e	NONE			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ <u>357,166.</u>				
a Applied to 2011, but not more than line 2a			338,981.	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2012 distributable amount				18,185
e Remaining amount distributed out of corpus	NONE			
5 Excess distributions carryover applied to 2012 . (If an amount appears in column (d), the same amount must be shown in column (a))	NONE			NONE
6 Enter the net total of each column as indicated below.				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	NONE			
b Prior years' undistributed income Subtract line 4b from line 2b		NONE		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				369,300.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	NONE			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	NONE			
9 Excess distributions carryover to 2013 Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9				
a Excess from 2008	NONE			
b Excess from 2009	NONE			
c Excess from 2010	NONE			
d Excess from 2011	NONE			
e Excess from 2012	NONE			

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

NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, 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			(c) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i).					
b Endowment alternative test enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c Support alternative test enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

N/A

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

N/A

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient		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>					
SEE STATEMENT 9					339,500
Total				► 3a	339,500
b <i>Approved for future payment</i>					
Total				► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities . . .			14	160,365	
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	148,292.	
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) . . .				308,657	
13	Total. Add line 12, columns (b), (d), and (e)					308,657

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (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			X
(2) Other assets			X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization			X
(2) Purchases of assets from a noncharitable exempt organization			X
(3) Rental of facilities, equipment, or other assets			X
(4) Reimbursement arrangements			X
(5) Loans or loan guarantees			X
(6) Performance of services or membership or fundraising solicitations			X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees			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			

[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 and correct. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Wells Fargo Bank, N A

04/26/2013

► Trustee

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
---	------

Firm's name ▶

Firm's EIN ►

Firm's address ►

Phone no

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
ALTRIA GROUP INC	17,877.	17,877.
AMERICA MOVIL S A DE C V SPONSORED ADR R	603.	603.
AMERICAN EXPRESS CO COM	1,560.	1,560.
AMERICAN TOWER CORP	6,750.	6,750.
BECTON DICKINSON & CO COM	3,510.	3,510.
COCA-COLA CO COM	13,072.	13,072.
COMCAST CORP NEW CL A SPL	4,200.	4,200.
CONOCOPHILLIPS COM	6,864.	6,864.
EXXON MOBIL CORP COM	18,351.	18,351.
GENERAL ELEC CO COM	11,560.	11,560.
GOLDMAN SACHS GRP INC COM	1,651.	1,651.
JOHNSON & JOHNSON COM	13,498.	13,498.
KRAFT FOODS INC-A COM	14,338.	14,338.
LOWES COS INC COM W/RIGHTS ATTACHED EXPI	2,700.	2,700.
NESTLE S A SPONSORED ADR REPSTG REG SH	14,849.	14,849.
PHILIP MORRIS INTERNATIONAL IN	17,340.	17,340.
PHILLIPS 66	585.	585.
WELLS FARGO & CO NEW COM W/RIGHTS ATTACH	3,237.	3,237.
YUM! BRANDS INC	6,783.	6,783.
TRANSOCEAN LTD.	1,027.	1,027.
FEDERATED TREAS OBL FD 68	10.	10.
	-----	-----
TOTAL	160,365.	160,365.
	=====	=====

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

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FOREIGN TAXES	4,715.	4,715.
FEDERAL TAX PAYMENT - PRIOR YE	537.	
FEDERAL ESTIMATES - PRINCIPAL	1,500.	
	-----	-----
TOTALS	6,752.	4,715.
	=====	=====

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

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
ADR FEES	166.	166.
TOTALS	----- 166. =====	----- 166. =====

WILLIAM COLTRANE & NORMA CRAFT CANNON
FORM 990PF, PART II - CORPORATE STOCK
=====

25-6893619

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
02209S103 ALTRIA GROUP INC		
02364W105 AMERICA MOVIL S.A.B.	142,851.	267,240.
025816109 AMERICAN EXPRESS CO	47,790.	46,280.
029912201 AMERICAN TOWER SYST	73,491.	114,960.
075887109 BECTON DICKINSON & C		
084670108 BERKSHIRE HATHAWAY I	1,453,705.	2,010,900.
084670702 BERKSHIRE HATHAWAY I	36,670.	53,820.
151290889 CEMEX S.A.B DE C.C.	289,157.	115,449.
191216100 COCA COLA CO	272,500.	464,580.
20030N200 COMCAST CORP-SPECIAL	171,500.	251,440.
20825C104 CONOCOPHILLIPS	115,367.	150,774.
30231G102 EXXON MOBIL CORPORAT	500,366.	728,578.
369604103 GENERAL ELECTRIC CO	562,275.	356,830.
478160104 JOHNSON & JOHNSON	336,793.	394,242.
50075N104 KRAFT FOODS INC		
52729N308 LEVEL 3 COMMUNICATIO	27,554.	10,815.
548661107 LOWES COS INC	139,801.	159,840.
641069406 NESTLE S.A. REGISTER	208,369.	458,145.
718172109 PHILIP MORRIS INTERN	160,842.	351,288.
949746101 WELLS FARGO & CO	503,208.	125,714.
949746887 WELLS FARGO & CORP		
988498101 YUM BRANDS INC	200,984.	378,480.
38141G104 GOLDMAN SACHS GROUP		
H8817H100 TRANSOCEAN LTD.	66,363.	58,058.
03027X100 AMERICAN TOWER CORP	304,490.	579,525.
30219G108 EXPRESS SCRIPTS HOLD	199,082.	205,200.
50076Q106 KRAFT FOODS GROUP IN	108,100.	187,336.
59156R108 METLIFE INC	147,377.	148,230.
609207105 MONDELEZ INTERNATION	199,965.	314,602.

WILLIAM COLTRANE & NORMA CRAFT CANNON
FORM 990PF, PART II - CORPORATE STOCK
=====

25-6893619

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
718546104 PHILLIPS 66	34,285.	69,030.
	-----	-----
TOTALS	6,302,885.	8,001,356.
	=====	=====

RECIPIENT NAME:
Appalachain Regional
Healthcare
ADDRESS:
336 DEERFIELD RD.
Boone, NC 28607
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
EMERGENCY PATIENT FUND
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 25,000.

RECIPIENT NAME:
First Presbyterian Church
ADDRESS:
70 UNION STREET NORTH
Concord, NC 28025
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
SUPPORT
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 35,000.

RECIPIENT NAME:
BIG BROTHERS BIG SISTERS
ADDRESS:
3801 INDEPENDENCE BLVD
Charlotte, NC 28205
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
OPERATIONAL COST SUPPORT
FOUNDATION STATUS OF RECIPIENT:
PUBLIC CHARITY
AMOUNT OF GRANT PAID 10,000.

WILLIAM COLTRANE & NORMA CRAFT CANNON

25-6893619

FORM 990PF, PART XV, LINE 3a - CONTRIBUTIONS, GIFTS, GRANTS PAID

=====

RECIPIENT NAME:

UNITED WAY OF CENTRAL CAROLINAS

ADDRESS:

301 SOUTH BREVARD ST

Charlotte, NC 28202

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SUPPORT

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 10,000.

RECIPIENT NAME:

Boy Scouts of America

ADDRESS:

1410 E 7TH STREET

Charlotte, NC 28204

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SUPPORT

FOUNDATION STATUS OF RECIPIENT:

EXEMPT

AMOUNT OF GRANT PAID 120,000.

RECIPIENT NAME:

GIRL SCOUT'S HORNEST NEST COUNCIL

ADDRESS:

7007 IDLEWILD RD

Charlotte, NC 28212

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SCHOLARSHIPS

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 20,000.

STATEMENT 7

RECIPIENT NAME:
Cabarrus Boys and Girls Club
ADDRESS:
PO BOX 1405
Concord, NC 28026
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
SUPPORT
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 20,000.

RECIPIENT NAME:
Cannon School Inc.
ADDRESS:
5801 POPLAR TENT RD.
Concord, NC 28027
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
EDUCATION
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 20,000.

RECIPIENT NAME:
Cabarrus Arts Council Inc
ADDRESS:
PO BOX 809
Concord, NC 26026
RELATIONSHIP:
NONE -
PURPOSE OF GRANT:
COMPUTER & SOFTWARE UPGRADE
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 26,500.

WILLIAM COLTRANE & NORMA CRAFT CANNON

25-6893619

FORM 990PF, PART XV, LINE 3a - CONTRIBUTIONS, GIFTS, GRANTS PAID

=====

RECIPIENT NAME:

Chatham Academy Inc

ADDRESS:

PO BOX 461

Siler City, NC 27344

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GYM BLEACHERS

FOUNDATION STATUS OF RECIPIENT:

EXEMPT

AMOUNT OF GRANT PAID 26,500.

RECIPIENT NAME:

Kerr-Vance Academy

ADDRESS:

700 KERR VANCE ACADEMY RD

Henderson, NC 27536

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

LIGHTING REPAIR

FOUNDATION STATUS OF RECIPIENT:

EXEMPT

AMOUNT OF GRANT PAID 26,500.

TOTAL GRANTS PAID:

339,500.

=====

STATEMENT 9

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