



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

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

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning

, 2012, and ending

, 20

Name of foundation

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

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

Room/suite

1525 WEST WT HARRIS BLVD

City or town, state, and ZIP code

CHARLOTTE, NC 28288-5709

G Check all that apply:

Initial return

Initial return of a former public charity

Final return

Amended return

Address change

Name change

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

I Fair market value of all assets at end

J Accounting method: ☒ Cash ☐ Accrual

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

16) \$ 12,855,706.

☐ Other (specify) _____

(Part I, column (d) must be on cash basis.)

A Employer identification number

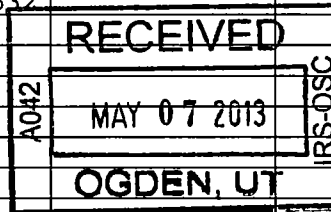
56-2225556

B Telephone number (see instructions)

855- 739-2920

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 ☐**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)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check ☐ if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	360,806.	359,848.		STMT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-60,632			
b Gross sales price for all assets on line 6a	2,690,000.			
7 Capital gain net income (from Part IV, line 2)				
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)	17,368.	8,731.		STMT 7
12 Total. Add lines 1 through 11	317,542.	368,579.		
13 Compensation of officers, directors, trustees, etc.	20,000.			20,000.
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)	98,796.	79,037.		19,759.
17 Interest				
18 Taxes (attach schedule) (see instructions)	13,676.	6,687.		
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)		5,824.		
24 Total operating and administrative expenses. Add lines 13 through 23	132,472.	91,548.	NONE	39,759.
25 Contributions, gifts, grants paid	633,115.			633,115.
26 Total expenses and disbursements Add lines 24 and 25	765,587.	91,548.	NONE	672,874.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-448,045.			
b Net investment income (if negative, enter -0-)		277,031.		
c Adjusted net income (if negative, enter -0-)				

ENVELOPE
POSTMARK DATE
MAY 03 2013SCANNED
MAY 10 2013

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing	32,742.	19,598.	19,598.
	2 Savings and temporary cash investments	612,873.	734,889.	734,889.
	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) ▶ *		* 15,007.	
	Less: allowance for doubtful accounts ▶	NONE	15,007.	18,991.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U S and state government obligations (attach schedule)	681,779.	671,775.	704,520.
	b Investments - corporate stock (attach schedule)	2,252,824.	5,481,843.	6,010,338.
	c Investments - corporate bonds (attach schedule)	293,430.	277,625.	297,346.
	Liabilities	11 Investments - land, buildings, and equipment basis		
Less accumulated depreciation ▶ (attach schedule)				
12 Investments - mortgage loans				
13 Investments - other (attach schedule)		8,658,722.	4,868,915.	5,070,024.
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)		12,532,370.	12,069,652.	12,855,706.
Net Assets or Fund Balances	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)		NONE	
	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	12,532,370.	12,069,652.	
	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)	12,532,370.	12,069,652.	
31 Total liabilities and net assets/fund balances (see instructions)	12,532,370.	12,069,652.		

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	12,532,370.
2 Enter amount from Part I, line 27a	2	-448,045.
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 27	3	12,694.
4 Add lines 1, 2, and 3	4	12,097,019.
5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 28	5	27,367.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	12,069,652.

Form 990-PF (2012)

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 2,690,000.		2,750,632.	-60,632.		
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			-60,632.		
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	-60,632.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8			3		

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

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

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

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

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	709,441.	13,016,384.	0.054504
2010	599,325.	12,511,317.	0.047903
2009	543,000.	12,162,259.	0.044646
2008	536,778.	13,199,733.	0.040666
2007	716,110.	15,365,553.	0.046605
2 Total of line 1, column (d)			2 0.234324
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 0.046865
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 12,647,322.
5 Multiply line 4 by line 3			5 592,717.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,770.
7 Add lines 5 and 6			7 595,487.
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.			8 672,874.

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)		1	2,770.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b			
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	2,770.
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	2,770.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	6,396.	
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	6,396.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,626.	
11 Enter the amount of line 10 to be. Credited to 2013 estimated tax ☒ 2,772. Refunded ☐	11	854.	

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)? 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.		X
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? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		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? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	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

Form 990-PF (2012)

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		
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶ N/A				
14	The books are in care of ▶ WELLS FARGO BANK NA Telephone no. ▶ (855) 739-2920			
	Located at ▶ 1 W 4TH STREET D4000-062, WINSTON SALEM, NC ZIP+4 ▶ 27101-3818			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	15		
and enter the amount of tax-exempt interest received or accrued during the year ▶				
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?	16	Yes	No
				X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶				

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☒ Yes	☐ No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes	☐ No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes	☒ No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	X
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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?	☐ Yes	☒ No
If "Yes," list the years ▶		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes	☒ 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

Form 990-PF (2012)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**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
Gina A Phillips P.O. Box 400, Spruce Pine, NC 28777	President 25	5,000.		- 0 -
Fred L. Stout P.O. Box 400, Spruce Pine, NC 28777	Vice-President 2	5,000.		
G Byron Phillips P.O. Box 400, Spruce Pine, NC 28777	Treasurer 5	5,000.		
Van Phillips P.O. Box 400, Spruce Pine, NC 28777	Secretary 9	5,000.		

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 <u>NONE</u> ----- -----	
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 <u>NONE</u> ----- -----	
2 ----- -----	
All other program-related investments. See instructions	
3 <u>NONE</u> ----- -----	
Total. Add lines 1 through 3 ▶	

Form 990-PF (2012)

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	12,143,380.
b	Average of monthly cash balances	1b	696,541.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	12,839,921.
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	12,839,921.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	192,599.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	12,647,322.
6	Minimum investment return. Enter 5% of line 5	6	632,366.

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	632,366.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	2,770.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,770.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	629,596.
4	Recoveries of amounts treated as qualifying distributions	4	17,368.
5	Add lines 3 and 4	5	646,964.
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	646,964.

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	672,874.
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	672,874.
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	2,770.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	670,104.

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				646,964.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			227,983.	
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>672,874.</u>				
a Applied to 2011, but not more than line 2a			227,983.	
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				444,891.
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				202,073.
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)

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) 2012	(b) 2011	(c) 2010	(d) 2009	
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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE STATEMENT 33				633,115.
Total			3a	633,115.
b Approved for future payment				
MEDICAL & HEALTH SCIENCES FOUNDATION 525 MOYE BLVD GREENVILLE, NC 27834-2849	NONE	PUBLIC CHAR	DENTAL SCHOLARSHIPS	455,045.
PENLAND SCHOOL OF CRAFTS PO BOX 37 PENLAND, NC 28765	NONE	PUBLIC CHAR	GRANTS	375,000.
Total			3b	830,045.

Form **990-PF** (2012)

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	360,806.	
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	-60,632.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory . .					
11 Other revenue a _____					
b RECOVERY			1	17,368.	
c _____					
d _____					
e _____					
12 Subtotal Add columns (b), (d), and (e)				317,542.	
13 Total. Add line 12, columns (b), (d), and (e)					317,542.

(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

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
	(1) Cash	1a(1)	X
	(2) Other assets	1a(2)	X
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)	X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)	X
	(3) Rental of facilities, equipment, or other assets	1b(3)	X
	(4) Reimbursement arrangements	1b(4)	X
	(5) Loans or loan guarantees	1b(5)	X
	(6) Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

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

Signature of officer or trustee

04/26/2013
Date

PRESIDENT
Title

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

Paid
Preparer
Use Only

Print/Type preparer's name

Preparer's signature

Date _____

Check ☐ if self-employed

DAVID APPLE

~~04/26/2011~~

P00555848

Firm's name ► WELLS FARGO BANK, N.A.

Firm's EIN ▶ 94-3080771

Firm's address ► 1525 W W.T. HARRIS BLVD. D1114-044
CHARLOTTE, NC 28288

Phone no 800-691-8916

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
AT&T INC	4,143.	4,143.
AT&T INC	401.	401.
ABBOTT LABS W/RIGHTS ATTACHED EXP 11/10/	2,203.	2,203.
ACE INA HOLDING	372.	372.
INVESCO INTL GROWTH-Y #8516	3,265.	3,265.
AIR PRODS & CHEMICALS INC COM W/ RTS TO	332.	332.
ALTRIA GROUP INC	4,329.	4,329.
AMERICAN ELEC PWR CO INC COM	418.	418.
AMERICAN EXPRESS CO COM	140.	140.
AMERICAN EXPRESS	369.	369.
ANHEUSER-BUSCH INBEV	323.	323.
APACHE CORP COM RTS EXP 01/31/2006	73.	73.
APPLE COMPUTER INC COM	742.	742.
ASTRAZENECA PLC SPONSORED ADR	3,870.	3,870.
AUTOMATIC DATA PROCESSING INC COM	355.	355.
BCE INC	2,671.	2,671.
BANK OF AMERICA CORP	344.	344.
BANK OF MONTREAL	65.	65.
BEAR STEARNS CO INC	694.	694.
BECTON DICKINSON & CO COM	140.	140.
BLACKROCK INC	396.	396.
BRISTOL-MYERS SQUIBB CO COM	2,113.	2,113.
BURLINGTON NORTH SAN	292.	292.
CIGNA CORP	214.	214.
CSX CORP	73.	73.
CATERPILLAR INC COM W/RTS EXP 12/11/2006	612.	612.
CATERPILLAR INC	273.	273.
CENTURYTEL INC COM	4,749.	4,749.
CHEVRONTXACO CORP COM	2,016.	2,016.
CHICAGO ILL MET WTR	286.	286.
CINCINNATI FINL CORP COM	63.	63.
CITIGROUP INC	420.	420.
DMK585 5892 04/26/2013 13:50:48	552-1019875920	

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
COCA-COLA CO COM	2,114.	2,114.
COMCAST CORP NEW CL A SPL	144.	144.
COMCAST CORP 5.150% 3/01/20	334.	334.
CONOCOPHILLIPS COM	3,831.	3,831.
COVIDIEN INTERNATIONAL 5.450% 10/15/12	223.	223.
CREDIT SUISSE 5.400% 1/14/20	378.	378.
DANAHER CORP COM	14.	14.
DEERE & CO COM	66.	66.
JOHN DEERE CAPITAL 1.850% 9/15/16	164.	164.
DIRECTV HLDG/FIN INC 5.000% 3/01/21	350.	350.
DISNEY (WALT) COMPANY HOLDING COMPANY CO	452.	452.
DOMINION RES INC VA NEW COM	768.	768.
DOMINION RESOURCES 4.450% 3/15/21	204.	204.
DOW CHEMICAL CO/THE 8.550% 5/15/19	559.	559.
DREYFUS EMG MKT DEBT LOC C-I #6083	7,714.	7,714.
DUKE ENERGY HOLDING CORP. COM	1,299.	1,299.
DUKE ENERGY HOLDING CORP. COM	1,457.	1,457.
EATON VANCE FLOATING RATE FD-I #924	13,390.	13,390.
EXELON CORP COM	1,249.	1,249.
EXXON MOBIL CORP COM	1,943.	1,943.
FHLMC POOL #A97973 4.500% 4/01/41	283.	283.
FED HOME LN MTG CORP 3.750% 3/27/19	1,388.	1,388.
FED HOME LN MTG CORP 2.500% 5/27/16	1,261.	1,261.
FED NATL MTG ASSN 2.375% 7/28/15	1,591.	1,591.
FNMA POOL #893234 5.500% 8/01/39	1,446.	1,446.
FNMA POOL #900295 6.000% 9/01/36	1,978.	1,978.
FNMA POOL #995094 4.500% 11/01/35	979.	979.
FNMA POOL #AA0835 5.000% 1/01/39	1,446.	1,446.
FNMA POOL #AA9117 4.500% 7/01/39	1,981.	1,981.
FNMA POOL #AC1847 4.500% 9/01/24	1,060.	1,060.
FNMA POOL #AE0385 4.000% 9/01/40	783.	783.
FRANKLIN RES INC COM	394.	394.
FREEMPORT MCMORAN COPPER & GOLD CL B W/RT	507.	507.
DMK585 5892 04/26/2013 13:50:48	552-1019875920	

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
GENERAL DYNAMICS CORP COM	85.	85.
GENERAL ELEC CO COM	710.	710.
GENERAL ELEC CAP COR 4.375% 9/16/20	438.	438.
GENUINE PARTS CO COM W/RIGHTS ATTACHED E	121.	121.
GLAXO SMITHKLINE SPONSORED PLC ADR	3,145.	3,145.
GOLDMAN SACHS GROUP 6.000% 6/15/20	420.	420.
HCP INC	1,090.	817.
HSBC HLDGS PLC SPONSORED ADR NEW	978.	978.
HARBOR FD INTL FD	25,234.	25,234.
HEALTH CARE REIT INC COM	1,453.	768.
HEINZ H J CO COM	2,698.	2,698.
HOME DEPOT INC	324.	324.
INTEL CORP COM	948.	948.
INTEL CORP	218.	218.
INTL BUSINESS MACHINES CORP COM	485.	485.
INTERNATIONAL GAME TECHNOLOGY COM	56.	56.
ISHARES MSCI EAFE INDEX FD	4,109.	4,109.
ISHARES MIDCAP INDEX FD	10,046.	10,046.
ISHARES RUSSELL 2000 GROWTH INDEX FUND	7,319.	7,319.
JP MORGAN CHASE & CO COM	908.	908.
JOHNSON & JOHNSON COM	2,912.	2,912.
JOHNSON CONTROLS INC 5.500% 1/15/16	419.	419.
KIMBERLY-CLARK CORP COM	1,970.	1,970.
KRAFT FOODS INC-A COM	367.	367.
KRAFT FOODS INC	323.	323.
LAKE COUNTY ILL FST 5.900% 12/15/32	295.	295.
LAUDER ESTEE COS INC CL A	161.	161.
LILLY ELI & CO COM W/RTS EXP 7/28/2008	2,930.	2,930.
LORILLARD INC	1,042.	1,042.
MCDONALDS CORP COM	1,613.	1,613.
MCGRAW HILL COS INC	204.	204.
MCKESSON CORP	228.	228.
MEDTRONIC INC COM W/RTS ATTACHED EXP 10/	173.	173.
DMK585 5892 04/26/2013 13:50:48		

552-1019875920

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
MERCK & CO INC NEW	2,575.	2,575.
MERRILL LYNCH & CO	544.	544.
METLIFE INC	448.	448.
MIDAMERICAN ENERGY	442.	442.
MORGAN STANLEY	333.	333.
NATIONAL GRID PLC ADR	3,205.	3,205.
NESTLE S A SPONSORED ADR REPSTG REG SH	1,206.	1,206.
NEW YORK N Y CITY MU 6.011% 6/15/42	301.	301.
NEWS CORP CL A	112.	112.
NOVO-NORDIST A S ADR	376.	376.
NSTAR COM	114.	114.
OCCIDENTAL PETE CORP COM	945.	945.
ORACLE CORP COM	91.	91.
ORACLE CORP	312.	312.
OPPENHEIMER DEVELOPING MKT-Y #788	3,417.	3,417.
PIMCO FDS PAC INVT MGMT SER LOW DURATION	23,086.	23,086.
PIMCO FDS PAC INVT MGMT SER TOTAL RETURN	43,685.	43,685.
PIMCO FDS PAC INVT MGMT SER HIGH YLD FD	16,858.	16,858.
PIMCO FOREIGN BOND FUND-INST	4,611.	4,611.
PPL CORP COM	1,568.	1,568.
PEPSICO INC COM	1,214.	1,214.
PHILIP MORRIS INTERNATIONAL IN	4,241.	4,241.
PHILLIPS 66	111.	111.
PIMCO FOREIGN BOND (UNHEDGED) #1853	12,505.	12,505.
PIMCO COMMODITY REAL RET STRAT-I#45	906.	906.
PRAXAIR INC COM	366.	366.
T ROWE CORPORATE INCOME FD #112	7,983.	7,983.
PROCTER & GAMBLE CO COM	1,891.	1,891.
QUALCOMM INC COM W/RTS ATTACHED	256.	256.
REYNOLDS AMERICAN INC	2,401.	2,401.
RIO TINTO PLC SPONSORED ADR	456.	456.
ROCHE HLDG LTD SPONSORED ADR	741.	741.
ROYAL DUTCH SHELL PLC ADR	3,450.	3,450.
DMK585 5892 04/26/2013 13:50:48	552-1019875920	

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
ROYAL DUTCH SHELL PLC SPONSORED	1,418.	1,418.
SABMILLER PLC - ADR	141.	141.
SOUTHERN CO COM	3,075.	3,075.
STAPLES INC COM W/INVISIBLE RTS TO PUR S	124.	124.
TARGET CORP COM	570.	570.
TELECOM ITALIA CAPIT 6.175% 6/18/14	62.	62.
TELEFONICA S A SPONSORED ADR	2,251.	2,251.
TELEFONICA SA 5.877% 7/15/19	412.	412.
TEXAS INSTRS INC COM	459.	459.
THERMO FISHER SCIENT 2.250% 8/15/16	153.	153.
TIME WARNER CABLE INC	193.	193.
TOTAL FINA ELF S A SPONSORED ADR	4,401.	4,401.
UNILEVER PLC SPONSORED ADR NEW	1,177.	1,177.
US BANCORP 2.200% 11/15/16	50.	50.
US BANCORP 3.000% 3/15/22	113.	113.
US TREAS INFL INDE 1.750% 1/15/28	205.	205.
US TREASURY BOND 4.375% 2/15/38	148.	148.
US TREAS INFL IND 1.62 1/15/18	863.	863.
US TREASURY NOTE 1.125% 12/15/12	258.	258.
US TREAS INFL IND NT 0.500% 4/15/15	501.	501.
US TREASURY NOTE 0.625% 7/31/12	134.	134.
US TREASURY NOTE 2.000% 4/30/16	403.	403.
US TREASURY NOTE 2.375% 5/31/18	485.	485.
US TREASURY NOTE 2.125% 8/15/21	2,225.	2,225.
US TREASURY NOTE 0.875% 12/31/16	233.	233.
US TREASURY NOTE 1.125% 5/31/19	234.	234.
UNITED TECHNOLOGIES CORP COM	609.	609.
VANGUARD TOTAL BOND MARKET ETF	11,772.	11,772.
VANGUARD TOTL BD MARKET IND SGN 1351	9,727.	9,727.
VANGUARD MSCI EMERGING MARKETS EFT	5,643.	5,643.
VENTAS INC-COM	175.	175.
VERIZON COMMUNICATIONS COM	3,446.	3,446.
VERIZON COMMUNICATIO 6.350% 4/01/19	407.	407.
DMK585 5892 04/26/2013 13:50:48	552-1019875920	

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
VIRGINA ELECTRIC & 4.750% 3/01/13	238.	238.
VODAFONE GROUP PLC SPONSORED ADR	2,841.	2,841.
WAL MART STORES INC COM	818.	818.
WALGREEN CO COM W/RTS ATTACHED EXP 08/21	356.	356.
WASTE MANAGEMENT INC 2.600% 9/01/16	155.	155.
WINDSTREAM CORP	1,149.	1,149.
XILINX INC COM	67.	67.
XEROX CORPORATION 6.350% 5/15/18	318.	318.
ARCOS DORADOS HOLDINGS INC-A	48.	48.
FEDERATED TREAS OBL FD 68	71.	71.
-----	-----	-----
TOTAL	360,806.	359,848.
	=====	=====

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

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
RECOVERY		
RICI AGRICULTURAL - INTEREST INCOME	17,368.	49.
RICI AGRICULTURAL - NET ST CAPITAL GAIN		501.
RICI AGRICULTURAL - SEC 1256 CONTRACTS		491.
RICI TOTAL INDEX - INTEREST INCOME		459.
RICI TOTAL INDEX- SEC 1256 CONTRACTS		7,231.
	-----	-----
TOTALS	17,368.	8,731.
	=====	=====

FORM 990PF, PART I - OTHER PROFESSIONAL FEES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	CHARITABLE PURPOSES -----
CUSTODIAN FEES	98,796.	79,037.	19,759.
	-----	-----	-----
TOTALS	98,796.	79,037.	19,759.
	=====	=====	=====

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

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FOREIGN TAXES	2,141.	2,141.
FEDERAL TAX PAYMENT - PRIOR YE	593.	
FEDERAL ESTIMATES - PRINCIPAL	6,396.	
FOREIGN TAXES ON QUALIFIED FOR	2,213.	2,213.
FOREIGN TAXES ON NONQUALIFIED	2,333.	2,333.
	-----	-----
TOTALS	13,676.	6,687.
	=====	=====

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

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
RICI AGRICULTURAL - OTHER INCO		78.
RICI AGRICULTURAL - SERVICE F		59.
RICI AGRICULTURAL - MGR FEES		386.
RICI AGRICULTURAL - OTHER EXP		243.
RICI TOTAL INDEX- NET ST CAPIT		271.
RICI TOTAL INDEX- OTHER INCOME		241.
RICI TOTAL INDEX- SERVICE FEES		503.
RICI TOTAL INDEX- MGR FEES		3,271.
RICI TOTAL INDEX- OTHER EXPEN		772.
TOTALS	----- =====	----- =====
		5,824.

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

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

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
3134A4UU6SUB FEDHOME LN MTG		
3137EACA5 FED HOME LN MTG CORP		
31398AU34 FED NATL MTG ASSN		
31416H4V4 FNMA POOL #AA0835	52,669.	57,796.
31416TDX4 FNMA POOL #AA9117	66,760.	70,441.
31417LBR5 FNMA POOL #AC1847	17,848.	19,025.
31410PLP6 FNMA POOL #893234	35,291.	38,383.
31410XGC4 FNMA POOL #900295	18,740.	19,783.
912828HN3 US TREAS INFL IND	25,680.	27,028.
912828GH7SUB US TREASURY NOTES	24,646.	25,771.
912810EQ7SUB US TREASURY BOND	28,374.	33,295.
912810PV4 US TREAS INFL INDE		
912828MY3 US TREAS INFL IND NT		
912828KD1SUB US TREASURY NOTE	8,486.	11,434.
912828NP1SUB US TREASURY NOTE	20,738.	22,276.
912828LT5SUB US TREASURY NOTE		
167560PL9SUB CHICAGO ILL MET		
508354RR0SUB LAKE COUNTY ILL		
64972FL20SUB NEW YORK N Y CITY		
00440EAJ6SUB ACE INA HOLDING		
025816BA6SUB AMERICAN EXPRESS		
03523TAN8SUB ANHEUSER-BUSCH IN		
00206RAS1SUB AT&T INC		
00209AAG1SUB AT&T WIRELESS SVC		
053332AK8SUB AUTOZONE INC		
06050BAA9SUB BANK OF AMERICA C		
073902RU4SUB BEAR STEARNS CO		
12189TAY0SUB BURLINGTON NORTH		
14912L3U3SUB CATERPILLAR FIN S		

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

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

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---

125509BG3SUB CIGNA CORP		
172967ES6SUB CITIGROUP INC		
20030NBA8SUB COMCAST CORP		
22546QAD9SUB CREDIT SUISSE		
25459HAV7SUB DIRECTV HOLDINGS/		
260543BX0SUB DOW CHEMICAL CO/T		
30161NAD3SUB EXELON CORP		
36962G4R2SUB GENERAL ELEC CAP		
38141EA66SUB GOLDMAN SACHS GRO		
437076AP7SUB HOME DEPOT INC		
472319AA0SUB JEFFERIES GROUP		
472319AA0SUB JEFFERIES GROUP I		
481247AA2SUB JPMORGAN CHASE &		
494368BB8SUB KIMBERLY-CLARK		
494550AX4SUB KIND MORGAN ENER		
50075NBA1SUB KRAFT FOODS INC		
59018YJ69SUB MERRILL LYNCH & C		
59156RAP3SUB METLIFE INC		
59562VAM9SUB MIDAMERICAN ENERG		
61748AAE6SUB MORGAN STANLEY		
68389XAE5SUB ORACLE CORP		
843646AC4SUB SOUTHERN PWR CO		
87927VAW8SUB TELECOM ITALIA CA		
87938WAH6SUB TELEFONICA SA		
92343VAV6SUB VERIZON COMMUNICA		
984121BW2SUB XEROX CORPORATION		
3137EACT4 FED HOME LN MTG CORP		
3137EACA5 FED HOME LN MTG		
3129462E5 FED HOME LN MTG		

59,698.

61,883.

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

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

=====

DESCRIPTION

ENDING
BOOK VALUE

ENDING
FMV

31398AU34 FED NATL MTG ASSN
31416H4V4 FED NATL MTG ASSN
31416TDX4 FED NATL MTG ASSN
31417LBR5 FED NATL MTG ASSN
31419ANB9 FNMA POOL #AE0385
31410PLP6 FED NATL MTG ASSN
31410XGC4 FED NATL MTG ASSN
912828HN3 US TREASURY INFLATIO
912810PV4 US TREASURY INFLATIO
912828MY3 US TREASURY INFLATIO
912828QF0 US TREASURY NOTE
912828QQ6 US TREASURY NOTE
912828NQ9 US TREASURY NOTE
912828RC6 US TREASURY NOTE
167560PL9 CHICAGO ILL MET WTR
508354RR0 LAKE COUNTY ILL FST
64972FL20 NEW YORK N Y CITY
31416BNK0 FNMA POOL #995094
912810PW2 US TREASURY BOND
912828NH9 US TREASURY NOTE
912828SX9 US TREASURY NOTE
912828TW0 US TREASURY NOTE

15,745. 16,126.

126,410. 130,355.

22,433. 22,783.
6,566. 6,488.
48,235. 48,217.
43,227. 43,272.
50,229. 50,164.

TOTALS

671,775. 704,520.
=====

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
580135101 MCDONALDS CORP	64,738.	75,331.
580645109SUB MCGRAW-HILL COMPA		
65248E104 NEWS CORP	8,789.	16,607.
87612E106 TARGET CORP	19,780.	25,325.
254687106 WALT DISNEY CO	11,733.	16,530.
02209S103 ALTRIA GROUP INC	75,203.	91,522.
191216100 COCA COLA CO	58,432.	74,204.
518439104 ESTEE LAUDER COMPANI	6,581.	13,349.
50075N104SUB KRAFT FOOD		
713448108 PEPSICO INC	35,871.	41,948.
718172109 PHILIP MORRIS INTERN	62,680.	93,760.
742718109 PROCTER & GAMBLE CO	46,292.	55,059.
871829107SUB SYSCO CORP		
931142103 WAL MART STORES INC	19,689.	28,179.
931422109 WALGREEN CO	12,239.	13,028.
166764100 CHEVRON CORP	46,516.	61,315.
20825C104 CONOCOPHILLIPS	83,059.	96,495.
30231G102 EXXON MOBIL CORPORAT	57,612.	76,337.
406216101SUB HALLIBURTON CO		
674599105 OCCIDENTAL PETE CORP	26,053.	24,515.
025816109 AMERICAN EXPRESS CO	10,801.	13,048.
354613101 FRANKLIN RESOURCES I	9,721.	12,067.
46625H100 JPMORGAN CHASE & CO	30,127.	34,164.
744320102SUB PRUDENTIAL FINL		
002824100 ABBOTT LABS	18,867.	27,117.
075887109SUB BECTON DICKINSON		
46120E602 INTUITIVE SURGICAL I	9,340.	13,730.
478160104 JOHNSON & JOHNSON	75,104.	83,840.
585055106SUB MEDTRONIC INC		

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
58933Y105 MERCK & CO INC NEW	63,095.	73,119.
149123101 CATERPILLAR INC	18,322.	21,864.
369550108SUB GENERAL DYNAMICS		
369604103 GENERAL ELECTRIC CO	16,695.	21,578.
913017109 UNITED TECHNOLOGIES	17,233.	24,357.
037833100 APPLE INC	11,011.	74,504.
053015103 AUTOMATIC DATA PROCE	9,189.	12,582.
17275R102SUB CISCO SYSTEMS		
458140100 INTEL CORP	19,230.	22,249.
459200101 INTERNATIONAL BUSINE	24,455.	36,395.
595017104SUB MICROCHIP TECH		
594918104SUB MICROSOFT CORP		
747525103 QUALCOMM INC	9,259.	16,207.
882508104 TEXAS INSTRUMENTS IN	15,543.	19,399.
009158106 AIR PRODS & CHEMS IN	11,188.	10,839.
35671D857 FREEPORT-MCMORAN COP	10,419.	14,364.
74005P104 PRAXAIR INC COM	12,611.	17,950.
124857202SUB CBS CORP		
20030N101SUB COMCAST CORP		
25470M109SUB DISH NETWORK		
345370860SUB FORD MOTOR		
37045V100SUB GENERAL MOTORS		
478366107SUB JOHNSON CONTROLS		
500255104SUB KOHLS CORP		
651229106SUB NEWELL RUBBERMAID		
731572103SUB POLO RALPH LAUR		
039483102SUB ARCHER DANIELS MI		
126650100SUB CVS/CAREMARK		
370334104SUB GENERAL MILLS		

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---

713448108SUB PEPSICO INC		
742718109SUB PROCTER & GAMBLE		
931142103SUB WAL MART		
651290108SUB NEWFIELD EXPL		
674599105SUB OCCIDENTAL PETE		
75281A109 RANGE RES CORP		
001055102SUB AFLAC INC		
020002101SUB ALLSTATE CORP		
064058100SUB BANK NEW YORK MEL		
060505104SUB BANK OF AMERICA C		
354613101SUB FRANKLIN RESOUR		
416515104SUB HARTFORD FINANCIA		
46625H100SUB JPMORGAN CHASE &		
571748102SUB MARSH & MCCLENNAN		
693475105SUB PNC FINANCIAL SER		
744320102SUB PRUDENTIAL FINL		
78442P106SUB SLM CORP		
857477103SUB STATE STEET CORP		
867914103SUB SUNTRUST BANKS		
89417E109SUB TRAVELERS COMPANI		
902973304SUB US BANCORP DEL N		
071813109SUB BAXTER INTL		
09062X103SUB BIOGEN IDEC INC		
58933Y105SUB MERCK & CO INC		
94973V107SUB WELLPOINT INC		
097023105SUB BOEING CO		
291011104SUB EMERSON ELECTRI		
369604103SUB GENERAL ELECTRIC		
438516106SUB HONEYWELL INTER		

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
452308109SUB ILLINOIS TOOL WOR		
00724F101 ADOBE SYS INC		
055921100SUB BMC SOFTWARE		
268648102SUB E M C CORP MASS		
38259P508SUB GOOGLE INC		
68389X105 ORACLE CORPORATION	9,281.	10,929.
882508104SUB TEXAS INSTRUMENTS		
260543103SUB DOW CHEMICAL		
35671D857SUB FREEPORT-MCMORAN		
852061100SUB SPRINT NEXTEL		
025537101 AMERICAN ELECTRIC PO	16,798.	18,993.
29364G103SUB ENTERGY CORP		
65339F101SUB NEXTERA ENERGY IN		
69331C108SUB PG&E CORP		
G3223R108SUB EVEREST REGROUP		
G491BT108SUB INVESCO LIMITED		
N53745100SUB LYONDELLBASELL		
806857108SUB SCHLUMBERGER LTD		
008882532 INVESCO INTL GROWTH-	250,000.	238,836.
411511306 HARBOR INTERNATIONAL F	1,178,978.	1,114,735.
411511843 HARBOR SMALL-CAP VAL		
464287465 ISHARES MSCI EAFE		
464287499 ISHARES TR RUSSELL M	477,880.	533,493.
464287648 ISHARES RUSSELL 2000	399,020.	486,653.
683974505 OPPENHEIMER DEVELOPI	400,000.	410,752.
722005667 PIMCO COMMODITY REAL		
870297603 MLN ELEMENTS ROGERS		
922042858 VANGUARD MSCI EMERGI	200,400.	230,888.
88732J207 TIME WARNER CABLE IN	5,466.	8,358.

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
393122106 GREEN MTN COFFEE INC		
50075N104 KRAFT FOODS INC		
037411105 APACHE CORP	13,858.	8,714.
09247X101 BLACKROCK INC	11,164.	13,643.
02209S103 ALTERIA GROUP		
191216100 COC COLA CO		
194162103 COLGATE PALMOLIVE CO		
423074103 HEINZ H J CO		
494368103 KIMBERLY CLARK CORP	63,929.	70,427.
544147101 LORILLARD INC	34,338.	40,611.
713448108 PEPSICO INC	18,464.	19,251.
718172109 PHILIP MORRIS INTERN		
742718109 PROCTER & GAMBLE CO		
761713106 REYNOLDS AMERICAN IN		
237194105 DARDEN RESTAURANTS	60,660.	62,849.
372460105 GENUINE PARTS CO		
459902102 INTERNATIONAL GAME		
500255104 KOHLS CORP		
580135101 MCDONALDS CORP		
855030102 STAPLES INC		
887317303 TIME WARNER INC		
872540109 TJX COS INC		
13342B105 CAMERON INTL CORP		
166764100 CHEVRON CORP		
20825C104 CONOCOPHILLIPS		
25179M103 DEVON ENERGY CORP		
30231G102 EXXON MOBIL CORP		
637071101 NATIONAL OILWELL VAR		
647599105 OCCIDENTAL PETE CORP		

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---

025816109 AMERICAN EXPRESS CO		
03076C106 AMERIPRISE FINL INC		
09247X101 BLACKROCK INC		
172062101 CINCINNATI FINANCIAL		
125581801 CIT GROUP INC		
354613101 FRANKLIN RESOURCES I		
571748102 MARSH & MCLENNAN		
59156R108 METLIFE INC		
624941101 NYSE EURONEXT INC		
744320102 PRUDENTIAL FINL		
87236Y108 TD AMERITRADE HLDG		
89417E109 TRAVELERS COMPANIES		
002824100 ABBOTT LABS		
00817Y108 AETNA INC	61,898.	60,292.
110122108 BRISTOL MYERS SQUIBB		
23918K108 DAVITA INC		
532457108 ELI LILLY & CO COM	42,594.	53,414.
478160104 JOHNSON & JOHNSON		
50540R409 LABORATORY CRP		
883556102 THERMO FISHER SCIENT		
91324P102 UNITEDHEALTH GROUP		
097023105 BOEING CO		
235851102 DANAHER CORP		
244199105 DEERE & CO		
774341101 ROCKWELL COLLINS		
94106L109 WASTE MANAGMENT		
037833100 APPLE INC		
038222105 APPLIED MATERIALS		
219350105 CORNING INC		

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
24702R101 DELL INC		
285512109 ELECTRONIC ARTS INC		
31620M106 FIDELITY NATL INFOMA		
594918104 MICROSOFT CORP		
68389X105 ORACLE CORP		
882508104 TEXAS INSTRUMENTS IN		
92826C839 VISA INC		
984332106 YAHOO INC		
263534109 DUPONT EI DE		
460146103 INTERNATIONAL PAPER		
74005P104 PRAXAIR INC		
00206R102 AT & T INC	54,504.	61,554.
156700106 CENTURYLINK, INC	64,917.	67,404.
92343V104 VERIZON COMMUNICATIO	64,269.	72,953.
97381W104 WINDSTREAM CORP	16,543.	11,509.
20915104 CONSOLIDATED EDISON		
25746U109 DOMINION RES INC VA	18,296.	18,544.
26441C105 DUKE ENERGY		
67019E107 NSTAR		
69351T106 PPL CORPORATION	37,545.	37,219.
842587107 SOUTHERN CO	68,907.	66,612.
976657106 WISCONSIN ENERGY		
046353108 ASTRAZENECA PLC ADR	74,016.	75,727.
05534B760 BCE INC	65,409.	68,232.
25243Q205 DIAGEO PLC - ADR	12,764.	12,940.
26441C204 DUKE ENERGY HOLDING	64,731.	65,267.
37733W105 GLAXOSMITHKLINE PLC	73,518.	71,508.
40414L109 HCP INC	21,773.	24,838.
404280406 HSBC - ADR	20,825.	20,485.

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
42217K106 HEALTH CARE REIT INC	26,464.	30,829.
50076Q106 KRAFT FOODS GROUP IN	58,638.	58,156.
609207105 MONDELEZ INTERNATIONAL	6,440.	7,916.
636274300 NATIONAL GRID PLC AD	68,778.	79,842.
641069406 NESTLE S.A. REGISTER	27,207.	36,430.
670100205 NOVO NORDISK A/S - A	10,421.	23,665.
718546104 PHILLIPS 66	5,485.	13,063.
767204100 RIO TINTO PLC - ADR	17,761.	15,800.
771195104 ROCHE HOLDINGS LTD -	16,424.	19,897.
780259107 ROYAL DUTCH SHELL PL	79,743.	77,341.
780259206 ROYAL DUTCH SHELL PL	22,800.	28,270.
78572M105 SABMILLER PLC - ADR	6,136.	6,972.
89151E109 TOTAL S.A. - ADR	107,070.	107,089.
904767704 UNILEVER PLC - ADR	15,510.	18,895.
92857W209 VODAFONE GROUP PLC N	73,378.	67,811.
983919101 XILINX INC	5,023.	5,487.
G0457F107 ARCOS DORADOS HOLDIN	4,343.	2,368.
	-----	-----
TOTALS	5,481,843.	6,010,338.
	=====	=====

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920

56-2225556

FORM 990PF, PART II - CORPORATE BONDS

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---

6933390841 PIMCO HIGH YIELD		
6933390700 PIMCO TOTAL RTN FD		
921937868 VANGUARD TOTAL BD		
722005220 PIMCO FOREIGN BD		
26203E851 DREYFUS/THE BOSTON C		
464287648 ISHARES RUSSELL 2000		
464287499 ISHARES TR RUSSELL M		
04315J837 ARTIO INTER. EQ		
411511306 HARBOR INTER. FD		
922042858 VANGUARD EMERGING M		
31959T102 FIRST CITRUS BANCORP		
344419106SUB FOMENTO ECONOMIC		
404280406SUB HSBC - ADR		
641069406SUB NESTLE S.A. REGIS		
670100205SUB NOVRDISK A/S		
767204100SUB RIO TINTO PLC		
771195104SUB ROCHE HOLDINGS LT		
780259206SUB ROYAL DUTCH		
806857108SUB SCHLUMBERGER LTD		
89151E109SUB TOTAL S.A. - ADR		
881624209SUB TEVA PHARMACEUTIC		
904784709SUB UNILEVER N.V.		
H27013103SUB WEATHERFORD INTNT		
261980494 DREYFUS EMG MKT DEBT		
277911491 EATON VANCE FLOATING		
6933390304 PIMCO LOW DURATION F		
6933390882 PIMCO FOREIGN BD FD		
741478101 T ROWE CORPORATE INC		
00440EAJ6 ACE INA HOLDING	6,511.	7,045.

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

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
025816AX7 AMERICAN EXPRESS	6,923.	7,230.
03523TAN8 ANHEUSER-BUSCH INBEV	6,694.	7,302.
00206RAS1 AT&T INC	13,701.	14,455.
06050BAA9 BANK OF AMERICA CORP		
073902RU4 BEAR STEARNS CO INC	9,839.	11,277.
12189TAY0 BURLINGTON NORTH SAN		
149123BV2 CATERPILLAR INC	6,967.	7,853.
125509BS7 CIGNA CORP	6,913.	7,652.
172967ES6 CITIGROUP INC	6,060.	7,190.
20030NBA8 COMCAST CORP	5,994.	7,112.
22303QAF7 COVIDIEN INTERNATION		
22546QAD9 CREDIT SUISSE	6,983.	7,871.
126408GB3 CSX CORPSE DTD		
25459HBA2 DIRECTV HLDG/FIN INC	6,976.	7,852.
25746UBL2 DOMINION RESOURCES	6,694.	6,912.
260543BX0 DOW CHEMICAL CO/THE		
36962G4R2 GENERAL ELEC CAP COR	9,931.	11,161.
38141EA66 GOLDMAN SACHS GROUP	7,470.	8,317.
437076AP7 HOME DEPOT INC	6,693.	6,855.
458140AJ9 INTEL CORP	7,220.	7,423.
24422ERF8 JOHN DEERE CAPITAL	6,996.	7,240.
478366AR8 JOHNSON CONTROLS INC		
50075NBA1 KRAFT FOODS INC	6,644.	7,244.
58155QAC7 MCKESSON CORP	7,027.	7,503.
59018YJ69 MERRILL LYNCH & CO	6,901.	8,221.
59156RAP3 METLIFE INC	6,185.	7,485.
59562VAM9 MIDAMERICAN ENERGY	6,434.	7,574.
61748AAE6 MORGAN STANLEY	7,145.	7,248.
68389XAE5 ORACLE CORP		

SAMUEL L. PHILLIPS FAMILY FDN 552-1019875920
FORM 990PF, PART II - CORPORATE BONDS
=====

56-2225556

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
87927VAW8 TELECOM ITALIA		
87938WAH6 TELEFONICA SA		
883556BA9 THERMO FISHER SCIENT	7,039.	7,248.
91159HHB9 US BANCORP		
92343VAV6 VERIZON COMMUNICATIO	6,521.	7,583.
927804EU4 VIRGINA ELECTRIC &	5,293.	5,035.
94106LAX7 WASTE MANAGEMENT INC	7,053.	7,333.
984121BW2 XEROX CORPORATION	5,109.	5,767.
06366QW86 BANK OF MONTREAL	7,057.	7,338.
12189LAL5 BURLINGTN NORTH SANT	7,019.	7,234.
126408GD9 CSX CORP	9,413.	9,253.
14040HAY1 CAPITAL ONE FINANCIA	6,754.	6,919.
25468PCW4 WALT DISNEY COMPANY/	4,962.	5,046.
260543CH4 DOW CHEMICAL CO/THE	7,018.	6,984.
278642AF0 EBAY INC	6,820.	6,817.
31428XAQ9 FEDEX CORP	7,563.	7,480.
31428XAS5 FEDEX CORP	7,048.	6,964.
565849AK2 MARATHON OIL CORP	7,024.	7,043.
91159HHC7 US BANCORP	7,031.	7,280.
	-----	-----
TOTALS	277,625.	297,346.
	=====	=====

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION	COST/ FMV C OR F	ENDING BOOK VALUE	ENDING FMV
-----	-----	-----	---
RCI991006 RICI LINKED PAM TOTA	C	500,000.	511,541.
31959T102 FIRST CITRUS BANCORP	C	1.	28,380.
RCI991014 RICI LINKED AGRICULT	C	75,000.	61,009.
277911491 EATON VANCE FLOATING	C	299,647.	300,659.
693390841 PIMCO HIGH YIELD FD-	C	250,000.	265,419.
693390304 PIMCO LOW DURATION F	C	860,928.	860,110.
693390700 PIMCO TOTAL RET FD-I	C	1,007,418.	1,036,940.
741478101 T ROWE CORPORATE INC	C	200,000.	203,200.
921937868 VANGUARD TOTAL BOND	C		
261980494 DREYFUS EMG MKT DEBT	C	525,000.	552,976.
722005220 PIMCO FOREIGN BOND (	C	327,216.	354,918.
693390882 PIMCO FOREIGN BD FD	C	100,000.	101,125.
411511843 HARBOR SMALL-CAP VAL	C		
464287648 ISHARES RUSSELL 2000	C		
464287499 ISHARES TR RUSSELL	C		
008882532 AIM INTERNATIONAL	C		
411511306 HARBOR INTERNATIONAL	C		
464287465 ISHARES MSCI EAFE	C		
683974505 OPPENHEIMER DEVELOP	C		
922042858 VANGUARD MSCI EMERGI	C		
31959T102 FIRST CITRUS BANCORP	C		
870297603 ELEMENTS ROGERS AGRI	C		
722005667 PIMCO COMMODITY REAL	C		
RICI LINKED AGRICULTURE SECTOR	C		
RICI LINKED PAM TOTAL	C		
G0457F107 ARCOS DORADOS HOLDIN	C		
404280406 HSC-ADR	C		
641069406 NESTLE SA REGISTERED	C		
670100205 NOVO NORDISK AS ADR	C		

FORM 990PF, PART II - OTHER INVESTMENTS
=====

DESCRIPTION	COST/ FMV C OR F	ENDING BOOK VALUE	ENDING FMV
-----	-----	-----	---
767204100 RIO TINTO PLC ADR	C		
771195104 ROCHE HOLDINGS LTD	C		
780259206 ROYAL DUTCH SHELL PL	C		
89151E109 TOTAL SA ADR	C		
046353108 PLC	C		
05534B760 BCE INC	C		
37733W105 GLAXOSMITHKLINE PLC	C		
G47791101 INGERSOLL-RAND	C		
636274300 NATIONAL GRID PLC	C		
780259107 ROYAL DUTCH SHELL PL	C		
879382208 TELEFONICA SA-ADR	C		
89151E109 TOTAL SA -ADR	C		
904767704 UNILEVER PLC-ADR	C		
92857W209 VODAFONE GROUP	C		
40414L109 HCP INC	C		
42217K106 HEALTH CARE REIT INC	C		
92276F100 VENTAS INC	C		
921937835 VANGUARD TOTAL BOND	C		
TOTALS		723,705.	793,747.
		4,868,915.	5,070,024.
		=====	=====

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

DESCRIPTION -----	AMOUNT -----
MUTUAL FUND TAX EFFECTIVE DATE BEFORE TYE	11,295.
ACCRUED INTEREST PAID EFFECTIVE DATE BEFORE TYE	310.
OID ADJUSTMENT ON TIPS BONDS	1,088.
ROUNDING	1.

TOTAL	12,694.
	=====

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

DESCRIPTION -----	AMOUNT -----
MUTUAL FUND POSTING DATE AFTER TYE	12,480.
ROC BASIS ADJUSTMENT	409.
ACCRUED INTEREST PAID EFFECTIVE DATE AFTER TYE	410.
COST ADJUSTMENTS	14,068.

TOTAL	27,367.
	=====

RECIPIENT NAME:

Broadway Cares Equity Fights AIDS

ADDRESS:

165 WEST 46TH STREET, SUITE 1300

New York, NY 1003

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

EXEMPT

AMOUNT OF GRANT PAID 1,000.

RECIPIENT NAME:

East Carolina University Medical &
Health Sciences Fdn Inc

ADDRESS:

525 MOYE BLVD

Greensville, NC 27834-2849

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL PURPOSE

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 51,415.

RECIPIENT NAME:

GIRLS ON THE RUN OF WNC

ADDRESS:

50 S FRENCH BROAD AVE STE 249

ASHEVILLE, NC 28801

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL SUPPORT

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 4,200.

RECIPIENT NAME:
Communities in School Mitchell
County
ADDRESS:
2206 CARTERS RIDGE ROAD
Spruce Pine, NC 28777
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL SUPPORT
FOUNDATION STATUS OF RECIPIENT:
PUBLIC CHARITY
AMOUNT OF GRANT PAID 10,000.

RECIPIENT NAME:
Shriners Hospital
ADDRESS:
2900 ROCKY POINT DRIVE
Tampa, FL 33607
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
Mayo Clinic
ADDRESS:
200 FIRST STREET SW
Rochester, MN 55905
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 500.

RECIPIENT NAME:
Special Olympics Mitchell Country
ADDRESS:
144 GREENLEE LANE
Spruce Pine, NC 28777
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 2,000.

RECIPIENT NAME:
DUKE UNIVERSITY
ADDRESS:
213 W DUKE BUILDING BOX 90739
Durham, NC 27708
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL SUPPORT
FOUNDATION STATUS OF RECIPIENT:
PUBLIC CHARITY
AMOUNT OF GRANT PAID 2,000.

RECIPIENT NAME:
Penland School of Crafts
ADDRESS:
PO BOX 37
Penland, NC 28765
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL PURPOSE
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 300,000.

RECIPIENT NAME:
BLUE RIDGE RESOURCES
CONSERVATION
ADDRESS:
26 CRIMSON LAUREL CIRCLE, STE 2
BAKERSVILLE, NC 28705
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL SUPPORT
FOUNDATION STATUS OF RECIPIENT:
PUBLIC CHARITY
AMOUNT OF GRANT PAID 200,000.

RECIPIENT NAME:
Duke University Med Center
ADDRESS:
512 S MANGUM STREET, SUITE 400
Durham, NC 27701
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL PURPOSE
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 5,000.

RECIPIENT NAME:
Salvation Army of Asheville
ADDRESS:
204 HAYWOOD
Asheville, NC 28801
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
Mayland Community Colleg
ADDRESS:
PO BOX 547
Spruce Pine, NC 28777
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL PURPOSE
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 51,000.

RECIPIENT NAME:
MANNA FoodBank
ADDRESS:
627 SWANNANOA ROAD
Asheville, NC 28805
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL PURPOSE
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 2,500.

RECIPIENT NAME:
Memorial Sloan-Kettering Cancer
ADDRESS:
633 THIRD AVENUE, 28TH FLOOR
New York, NY 10017
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
GENERAL
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID 500.

TOTAL GRANTS PAID: 633,115.
=====