Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

► **Do not enter social security numbers on this form as it may be made public.**
► Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf.*

OMB No 1545 0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning , 2014, and ending ,

THE JAMES FOUNDATION CHARITABLE TRUST
ATTN: DAN THOMPSON
P.O. BOX 701
ABILENE, TX 79604

A Employer identification number 75-6306453

B Telephone number (see instructions)

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

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

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

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

G Check all that apply ☐ 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 of year *(from Part II, column (c), line 16)* ► $ 534,509.

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

Part I	**Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see 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	Ck ► ☒ if the foundn is not required to attach Sch B				
3	Interest on savings and temporary cash investments	919.	919.	919.	
4	Dividends and interest from securities	8,989.	8,989.	8,989.	
5 a	Gross rents				
b	Net rental income or (loss)				
6 a	Net gain or (loss) from sale of assets not on line 10	30,068.			
b	Gross sales price for all assets on line 6a 218,500.				
7	Capital gain net income (from Part IV, line 2)		30,068.		
8	Net short term capital gain			29,093.	
9	Income modifications				
10 a	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	39,976.	39,976.	39,001.	
13	Compensation of officers, directors, trustees, etc	5,973.	5,973.		
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16 a	Legal fees (attach schedule)				
b	Accounting fees (attach sch)				
c	Other prof fees (attach sch)				
17	Interest				
18	Taxes (attach schedule)(see instrs)				
19	Depreciation (attach sch) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 1	150.	150.		
24	**Total operating and administrative expenses** Add lines 13 through 23	6,123.	6,123.		
25	Contributions, gifts, grants paid PART XV	25,000.			25,000.
26	**Total expenses and disbursements** Add lines 24 and 25	31,123.	6,123.	0.	25,000.
27	Subtract line 26 from line 12				
a	**Excess of revenue over expenses and disbursements**	8,853.			
b	**Net investment income** (if negative, enter 0)		33,853.		
c	**Adjusted net income** (if negative, enter 0)			39,001.	

REVENUE

OPERATING AND ADMINISTRATIVE EXPENSES

RECEIVED
OCT 26 2015
OGDEN, UT
E2-633
IRS-OSC

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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	156.	235.	235.
	2	Savings and temporary cash investments	4,246.	4,116.	4,116.
	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 sch) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U S. and state government obligations (attach schedule) STATEMENT 2	38,722.	30,532.	30,892.
	b	Investments – corporate stock (attach schedule) STATEMENT 3	304,550.	324,665.	417,686.
	c	Investments – corporate bonds (attach schedule) STATEMENT 4	83,647.	81,255.	81,580.
	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)	431,321.	440,803.	534,509.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	**Total liabilities** (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here** ► ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► ☒ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds	25,000.	25,000.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	406,321.	415,803.	
	30	**Total net assets or fund balances** (see instructions)	431,321.	440,803.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	431,321.	440,803.	

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	431,321.
2	Enter amount from Part I, line 27a	2	8,853.
3	Other increases not included in line 2 (itemize) ► SEE STATEMENT 5	3	629.
4	Add lines 1, 2, and 3	4	440,803.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	440,803.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	SEE STATEMENT ATTACHED	P	VARIOUS	VARIOUS
b	CAPITAL GAIN DIVIDENDS	P	VARIOUS	VARIOUS
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	217,525.		188,432.	29,093.
b	975.			975.
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				29,093.
b				975.
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	30,068.
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	29,093.

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2013	23,722.	497,131.	0.047718
2012	22,000.	460,222.	0.047803
2011	22,000.	463,929.	0.047421
2010	24,920.	469,509.	0.053077
2009	21,418.	425,039.	0.050391

2	**Total** of line 1, column (d)	2	0.246410
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	0.049282
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	523,974.
5	Multiply line 4 by line 3	5	25,822.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	339.
7	Add lines 5 and 6	7	26,161.
8	Enter qualifying distributions from Part XII, line 4	8	25,000.

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

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

1 a	Exempt operating foundations described in section 4940(d)(2), check here ► ☐ and enter 'N/A' on line 1 Date of ruling or determination letter ________ (attach copy of letter if necessary – see instrs)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here. ► ☐ and enter 1% of Part I, line 27b			1	677.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0.
3	Add lines 1 and 2			3	677.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	677.
6	Credits/Payments				
a	2014 estimated tax pmts and 2013 overpayment credited to 2014	6 a	522.		
b	Exempt foreign organizations – tax withheld at source	6 b			
c	Tax paid with application for extension of time to file (Form 8868)	6 c			
d	Backup withholding erroneously withheld	6 d			
7	Total credits and payments Add lines 6a through 6d			7	522.
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	155.
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 2015 estimated tax** ►	**Refunded**	►	11	

Part VII-A Statements Regarding Activities

			Yes	No
1 a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1 a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1 b		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?	1 c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ► $ 0. **(2)** On foundation managers ► $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If 'Yes,' attach a conformed copy of the changes*	3		X
4 a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4 a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4 b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► TX			
b	If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If 'No,' attach explanation*	8 b	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 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

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

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

Website address ► N/A

14 The books are in care of ► FIRST FINANCIAL TR & ASSET MGT Telephone no ► 325-627-7000

Located at ► P.O. BOX 701 ABILENE TX ZIP + 4 ► 79604

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

			Yes	No
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly 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
1 a	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)?	1 b	N/A	
	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 2014?	1 c		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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☒ No If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see instructions)	2 b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__			
3 a	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 2014 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 2014.)*	3 b	N/A	
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a		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 2014?	4 b		X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here ► ☐

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53 4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

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? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
FIRST FINANCIAL TR & ASSET MGT P.O. BOX 701 ABILENE, TX 79604	TRUSTEE 1.00	5,973.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 – see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ► 0

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
Total number of others receiving over $50,000 for professional services ►		0

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 N/A	
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 N/A	
2	
All other program-related investments See instructions. 3	
Total. Add lines 1 through 3 ►	0.

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	527,576.
b	Average of monthly cash balances			1b	4,377.
c	Fair market value of all other assets (see instructions)			1c	
d	**Total** (add lines 1a, b, and c)			1d	531,953.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.		
2	Acquisition indebtedness applicable to line 1 assets			2	0.
3	Subtract line 2 from line 1d			3	531,953.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)			4	7,979.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	523,974.
6	**Minimum investment return.** Enter 5% of line 5			6	26,199.

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	26,199.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	677.		
b	Income tax for 2014 (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	677.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	25,522.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	25,522.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	25,522.

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	25,000.
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	25,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	25,000.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7					25,522.
2 Undistributed income, if any, as of the end of 2014.					
a Enter amount for 2013 only				5,852.	
b Total for prior years 20 ___, 20 ___, 20 ___			0.		
3 Excess distributions carryover, if any, to 2014					
a From 2009					
b From 2010					
c From 2011					
d From 2012					
e From 2013					
f Total of lines 3a through e		0.			
4 Qualifying distributions for 2014 from Part XII, line 4 ► $ 25,000.					
a Applied to 2013, but not more than line 2a				5,852.	
b Applied to undistributed income of prior years (Election required – see instructions)			0.		
c Treated as distributions out of corpus (Election required – see instructions)		0.			
d Applied to 2014 distributable amount					19,148.
e Remaining amount distributed out of corpus		0.			
5 Excess distributions carryover applied to 2014 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		0.			0.
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		0.			
b Prior years' undistributed income Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b Taxable amount – see instructions			0.		
e Undistributed income for 2013. Subtract line 4a from line 2a Taxable amount – see instructions				0.	
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015					6,374.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required – see instructions)		0.			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)		0.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a		0.			
10 Analysis of line 9					
a Excess from 2010					
b Excess from 2011					
c Excess from 2012					
d Excess from 2013					
e Excess from 2014					

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling ►

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

	Tax year	Prior 3 years			
	(a) 2014	**(b)** 2013	**(c)** 2012	**(d)** 2011	**(e) Total**
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** 'Assets' alternative test – enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter· **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

SEE STATEMENT 6

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines.

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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 7				
Total			► **3a**	25,000.
b *Approved for future payment*				
Total			► **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	919.	
4 Dividends and interest from securities			14	8,989.	
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					30,068.
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)				9,908.	30,068.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 39,976.

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

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

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

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

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

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

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

2 a 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
N/A		

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

SR, VP 10/21/15 TRUSTEE

Signature of officer or trustee Date Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
MARK LAYTON, CPA	MARK LAYTON, CPA	10/21/15		P00021078

Firm's name ► LAYTON & GAGE CPAS LLP

Firm's EIN ► 75-2718764

Firm's address ► 400 PINE STREET SUITE 980

ABILENE, TX 79601-5118

Phone no (325) 670-0888

STATEMENT 1
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADMINISTRATIVE EXPENSE	$ 44.	$ 44.		
FOREIGN TAX ON DIVIDENDS	106.	106.		
TOTAL	$ 150.	$ 150.	$ 0.	$ 0.

STATEMENT 2
FORM 990-PF, PART II, LINE 10A
INVESTMENTS - U.S. AND STATE GOVERNMENT OBLIGATIONS

U.S. GOVERNMENT OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FEDERAL NAT'L MRTG ASSN BONDS	MKT VAL	$ 4,736.	$ 5,012.
	TOTAL	$ 4,736.	$ 5,012.

STATE/MUNICIPAL OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MUNICIPAL OBLIGATIONS	MKT VAL	25,796.	25,880.
	TOTAL	$ 25,796.	$ 25,880.
	TOTAL	$ 30,532.	$ 30,892.

STATEMENT 3
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
PUBLICLY TRADED STOCKS	MKT VAL	$ 324,665.	$ 417,686.
	TOTAL	$ 324,665.	$ 417,686.

STATEMENT 4
FORM 990-PF, PART II, LINE 10C
INVESTMENTS - CORPORATE BONDS

CORPORATE BONDS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CORPORATE OBLIGATIONS	MKT VAL	$ 81,255.	$ 81,580.
	TOTAL	$ 81,255.	$ 81,580.

STATEMENT 5
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

TAX EXEMPT INTEREST	$ 629.
TOTAL	$ 629.

STATEMENT 6
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:	
NAME:	THE JAMES FOUNDATION
CARE OF:	C/O FIRST FINANCIAL TRUST & ASSET MGMT
STREET ADDRESS:	P. O. BOX 701
CITY, STATE, ZIP CODE:	ABILENE, TX 79604
TELEPHONE:	325-627-7100
E-MAIL ADDRESS:	
FORM AND CONTENT:	INFORMAL LETTER OF REQUEST
SUBMISSION DEADLINES:	NONE
RESTRICTIONS ON AWARDS:	NONE

STATEMENT 7
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
ABILENE HOPE HAVEN 801 S TREADAWAY ABILENE, TX 79602	NONE		OPERATIONS	$ 1,000.
MEALS ON WHEELS 949 MESQUITE ST ABILENE, TX 79601	NONE		OPERATIONS	1,000.
JUNIOR ACHIEVEMENT 3300 S. 14TH, STE. 204 ABILENE, TX 79605	NONE		OPERATIONS	1,000.
BOBS AKA BREAKFAST ON BEECH STREET BEECH ST ABILENE, TX 79601	NONE		OPERATIONS	1,000.
NOAH PROJECT 1636 N. 20TH STREET ABILENE, TX 79601	NONE		OPERATIONS	1,000.

STATEMENT 7 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
BOYS & GIRLS CLUB OF ABILENE 709 N. 2ND STREET ABILENE, TX 79601	NONE		OPERATIONS	$ 1,000.
DAY NURSERY OF ABILENE 650 CEDAR ABILENE, TX 79601	NONE		OPERATIONS	5,000.
UNIVERSITY OF TEXAS, EL PASO 500 WEST UNIVERSITY AVENUE EL PASO, TX 79968	NONE		OPERATIONS	5,000.
SERENITY FOUNDATION OF TEXAS 1546 N. 2ND STREET ABILENE, TX 79601	NONE		OPERATIONS	1,000.
SALVATION ARMY 1726 BUTTERNUT ABILENE, TX 79602	NONE		OPERATIONS	1,000.
FOOD BANK OF ABILENE 5505 N 1ST STREET ABILENE, TX 79603	NONE		OPERATIONS	1,000.
LOVE AND CARE MINISTRIES 233 FANNIN STREET ABILENE, TX 79603	NONE		OPERATIONS	1,000.
GROVER NELSON PARK ZOOLOGICAL FOUNDATION 3301 S. 14TH ST., STE 16 ABILENE, TX 79605	NONE		OPERATIONS	5,000.
			TOTAL	$ 25,000.

ACCT 591V 095451
FROM 01/01/2014
TO 12/31/2014

FIRST FINANCIAL TRUST & ASSET MANAGEMENT CO.
STATEMENT OF CAPITAL GAINS AND LOSSES
JAMES FOUNDATION

RUN 02/19/2015
11:10:41 AM

TRUST YEAR ENDING 12/31/2014

TAX PREPARER: 117
TRUST ADMINISTRATOR: 5
INVESTMENT OFFICER: 2

LEGEND: F - FEDERAL S - STATE I - INHERITED
E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	MARKET DISCOUNT	TERM	NC	8949
10.0000 AMERIPRISE FINL INC - 03076C106 - MINOR = 34									
SOLD		09/09/2014	1246.27						
ACQ	10.0000	06/16/2011	1246.27	561.73	684.54	0.00	LT		F
31.0000 APACHE CORP - 037411105 - MINOR = 34									
SOLD		09/09/2014	3005.07						
ACQ	31.0000	06/12/2013	3005.07	2619.90	385.17	0.00	LT		F
6.0000 APPLE COMPUTER,INC. - 037833100 - MINOR = 34									
SOLD		06/17/2014	553.64						
ACQ	6.0000	06/16/2006	553.64	49.53	504.11	0 00	LT	Y	F
15.0000 APPLE COMPUTER,INC. - 037833100 - MINOR = 34									
SOLD		09/09/2014	1490.98						
ACQ	15.0000	06/16/2006	1490.98	123.82	1367.16	0.00	LT	Y	F
9.0000 APPLE COMPUTER,INC. - 037833100 - MINOR = 34									
SOLD		09/09/2014	882.16						
ACQ	9.0000	06/16/2006	882.16	74.30	807.86	0.00	LT	Y	F
4.0000 APPLE COMPUTER,INC. - 037833100 - MINOR = 34									
SOLD		10/15/2014	393.51						
ACQ	4.0000	06/16/2006	393.51	33.02	360.49	0.00	LT	Y	F
2.0000 BLACKROCK INC - 09247X101 - MINOR = 34									
SOLD		09/09/2014	656.50						
ACQ	2.0000	01/14/2011	656.50	394.75	261.75	0.00	LT		F
4.0000 CME GROUP INC - 12572Q105 - MINOR = 34									
SOLD		09/09/2014	302.43						
ACQ	4.0000	01/31/2012	302.43	191.13	111.30	0.00	LT		F
.2000 CALIFORNIA RESOURCES CORP - 13057Q107 - MINOR = 34									
SOLD		12/10/2014	1.14						
ACQ	.2000	11/16/2010	1.14	1.72	-0.58	0.00	LT	Y	F
48.0000 CATERPILLAR INC - 149123101 - MINOR = 34									
SOLD		01/08/2014	4284.82						
ACQ	23.0000	07/23/2008	2053.14	1666.81	386.33	0.00	LT	Y	F
	22.0000	09/30/2011	1963.88	1640.00	323.88	0.00	LT		F
	3.0000	09/10/2013	267.80	259.59	8.21	0.00	ST		C
10.0000 CELGENE CORP - 151020104 - MINOR = 34									
SOLD		09/09/2014	927.98						
ACQ	10.0000	03/26/2014	927.98	720.55	207.43	0.00	ST		C
32.0000 COCA-COLA CO - 191216100 - MINOR = 34									
SOLD		08/05/2014	1253.92						
ACQ	32.0000	12/03/2008	1253.92	736.99	516.93	0.00	LT	Y	F
12.0000 COCA-COLA CO - 191216100 - MINOR = 34									
SOLD		09/09/2014	502.58						
ACQ	12.0000	12/03/2008	502.58	276.37	226.21	0.00	LT	Y	F
22.0000 DISNEY WALT CO - 254687106 - MINOR = 34									
SOLD		09/09/2014	1969.72						
ACQ	22.0000	02/11/2008	1969.72	700.45	1269.27	0.00	LT	Y	F
1636.9520 DODGE & COX INCOME FD - 256210105 - MINOR = 94									
SOLD		10/22/2014	22802.74						
ACQ	264.6750	09/09/2011	3686.92	3578.40	108.52	0.00	LT	Y	F
	170.8830	09/28/2011	2380.40	2262.49	117.91	0.00	LT	Y	F
	171.8730	09/28/2011	2394.19	2275.60	118.59	0.00	LT	Y	F
	175.3940	01/17/2013	2443.24	2432.72	10.52	0.00	LT		F
	475.2400	09/10/2013	6620.09	6372.97	247.12	0.00	LT		F
	378.8870	09/11/2014	5277.90	5262.74	15.16	0.00	ST		C
76.0000 EBAY INC - 278642103 - MINOR = 34									
SOLD		05/13/2014	3916.24						
ACQ	41.0000	11/17/2010	2112.71	1230.85	881.86	0.00	LT	Y	F
	35.0000	06/17/2011	1803.53	1002.66	800.87	0.00	LT		F
83.5100 FHLMC POOL #FGG12410 5.000% 5/01/21 - 3128M1R76 - MINOR = 17									
SOLD		01/15/2014	83.51						
ACQ	83.5100	10/26/2006	83.51	81.96	1.55	0.00	LT	Y	F
3047.8800 FHLMC POOL #FGG12410 5.000% 5/01/21 - 3128M1R76 - MINOR = 17									
SOLD		01/22/2014	3276.47						
ACQ	3047.8800	10/26/2006	3276.47	2991.21	285.26	0.00	LT	Y	F
90.2000 FHLMC POOL #FGG18068 4.500% 8/01/20 - 3128MMCE1 - MINOR = 17									
SOLD		01/15/2014	90.20						
ACQ	90.2000	08/29/2006	90.20	86.56	3.64	0.00	LT	Y	F
2431.0700 FHLMC POOL #FGG18068 4.500% 8/01/20 - 3128MMCE1 - MINOR = 17									
SOLD		01/22/2014	2589.47						
ACQ	2431.0700	08/29/2006	2589.47	2333.08	256.39	0.00	LT	Y	F
134.9600 FNMA POOL #FN254865 4.500% 9/01/18 - 31371LCA5 - MINOR = 17									
SOLD		01/25/2014	134.96						
ACQ	134.9600	11/21/2003	134.96	135.42	-0.46	0.00	LT	Y	F
128.3600 FNMA POOL #FN254865 4.500% 9/01/18 - 31371LCA5 - MINOR = 17									
SOLD		02/25/2014	128.36						
ACQ	128.3600	11/21/2003	128.36	128.80	-0.44	0 00	LT	Y	F
119.7900 FNMA POOL #FN254865 4.500% 9/01/18 - 31371LCA5 - MINOR = 17									
SOLD		03/25/2014	119.79						
ACQ	119.7900	11/21/2003	119.79	120.20	-0.41	0.00	LT	Y	F
139.1800 FNMA POOL #FN254865 4.500% 9/01/18 - 31371LCA5 - MINOR = 17									
SOLD		04/25/2014	139.18						
ACQ	139.1800	11/21/2003	139.18	139.66	-0.48	0.00	LT	Y	F
127.0000 FNMA POOL #FN254865 4.500% 9/01/18 - 31371LCA5 - MINOR = 17									
SOLD		05/25/2014	127.00						
ACQ	127.0000	11/21/2003	127.00	127.44	-0.44	0.00	LT	Y	F

```
TAX PREPARER:          117
TRUST ADMINISTRATOR: 5                           LEGEND:  F - FEDERAL      S - STATE      I - INHERITED
INVESTMENT OFFICER:  2                                    E - EXEMPT FROM STATE  U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION          SHARES       DATE          SALES PRICE       COST BASIS        GAIN/LOSS  MARKET DISCOUNT  TERM NC
--------------------          ------       ----          -----------       ----------        ---------  ---------------  ---- --

      133.0400  FNMA POOL #FN254865  4.500%  9/01/18 - 31371LCA5 - MINOR = 17
          SOLD                     06/25/2014        133.04
          ACQ          133.0400    11/21/2003        133.04            133.50            -0.46              0.00  LT    Y  F
      126.8600  FNMA POOL #FN254865  4.500%  9/01/18 - 31371LCA5 - MINOR = 17
          SOLD                     07/25/2014        126.86
          ACQ          126.8600    11/21/2003        126.86            127.30            -0.44              0.00  LT    Y  F
      135.5100  FNMA POOL #FN254865  4.500%  9/01/18 - 31371LCA5 - MINOR = 17
          SOLD                     08/25/2014        135.51
          ACQ          135.5100    11/21/2003        135.51            135.98            -0.47              0.00  LT    Y  F
      123.8800  FNMA POOL #FN254865  4.500%  9/01/18 - 31371LCA5 - MINOR = 17
          SOLD                     09/25/2014        123.88
          ACQ          123.8800    11/21/2003        123.88            124.31            -0.43              0.00  LT    Y  F
      118.5000  FNMA POOL #FN254865  4.500%  9/01/18 - 31371LCA5 - MINOR = 17
          SOLD                     10/25/2014        118.50
          ACQ          118.5000    11/21/2003        118.50            118.91            -0.41              0.00  LT    Y  F
      118.7600  FNMA POOL #FN254865  4.500%  9/01/18 - 31371LCA5 - MINOR = 17
          SOLD                     11/25/2014        118.76
          ACQ          118.7600    11/21/2003        118.76            118.81            -0.05              0.00  LT    Y  F
      102.6300  FNMA POOL #FN254865  4.500%  9/01/18 - 31371LCA5 - MINOR = 17
          SOLD                     12/25/2014        102.63
          ACQ          102.6300    11/21/2003        102.63            102.67            -0.04              0.00  LT    Y  F
       89.2900  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     01/25/2014         89.29
          ACQ           89.2900    08/13/2007         89.29             85.17             4.12              0.00  LT    Y  F
       57.4500  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     02/25/2014         57.45
          ACQ           57.4500    08/13/2007         57.45             54.80             2.65              0.00  LT    Y  F
       59.3200  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     03/25/2014         59.32
          ACQ           59.3200    08/13/2007         59.32             56.59             2.73              0.00  LT    Y  F
       46.0500  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     04/25/2014         46.05
          ACQ           46.0500    08/13/2007         46.05             43.93             2.12              0.00  LT    Y  F
       52.8700  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     05/25/2014         52.87
          ACQ           52.8700    08/13/2007         52.87             50.43             2.44              0.00  LT    Y  F
       49.6300  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     06/25/2014         49.63
          ACQ           49.6300    08/13/2007         49.63             47.34             2.29              0.00  LT    Y  F
       58.0700  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     07/25/2014         58.07
          ACQ           58.0700    08/13/2007         58.07             55.39             2.68              0.00  LT    Y  F
       53.5700  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     08/25/2014         53.57
          ACQ           53.5700    08/13/2007         53.57             51.10             2.47              0.00  LT    Y  F
       54.0100  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     09/25/2014         54.01
          ACQ           54.0100    08/13/2007         54.01             51.52             2.49              0.00  LT    Y  F
       66.4100  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     10/25/2014         66.41
          ACQ           66.4100    08/13/2007         66.41             63.35             3.06              0.00  LT    Y  F
       61.7700  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     11/25/2014         61.77
          ACQ           61.7700    08/13/2007         61.77             61.06             0.71              0.00  LT    Y  F
       44.5600  FNMA POOL #FN0735926 4.500% 10/01/20 - 31402RSP5 - MINOR = 17
          SOLD                     12/25/2014         44.56
          ACQ           44.5600    08/13/2007         44.56             44.07             0.49              0.00  LT    Y  F
     3773.3850  FEDERATED INTL STRATEGIC VAL DVD FD - 314172362 - MINOR = 92
          SOLD                     01/30/2014      15357.68
          ACQ         3633.8420    09/12/2012      14789.74          14099.31           690.43              0.00  LT       F
                       139.5430    09/10/2013        567.94            567.94             0.00              0.00  ST       C
      880.0180  FEDERATED US GOVT SEC 2-5 INST - 31428P103 - MINOR = 94
          SOLD                     12/15/2014       9733.00
          ACQ          880.0180    10/22/2014       9733.00           9794.60           -61.60              0 00  ST       C
       83.0000  FORTINET INC - 34959E109 - MINOR = 34
          SOLD                     07/24/2014       2115.19
          ACQ           83.0000    07/10/2013       2115.19           1634.06           481.13              0.00  LT       F
       22.0000  FORTINET INC - 34959E109 - MINOR = 34
          SOLD                     09/09/2014        571.55
          ACQ           22.0000    07/10/2013        571.55            433.12           138.43              0 00  LT       F
       28.0000  GILEAD SCIENCES INC - 375558103 - MINOR = 34
          SOLD                     09/09/2014       2960.12
          ACQ           28.0000    03/26/2014       2960.12           2062.29           897.83              0.00  ST       C
       16.9500  GOLDMAN SACHS N-11 EQUITY FUND-INST - 38145L844 - MINOR = 95
          SOLD                     09/09/2014        201.37
          ACQ           16.9500    09/10/2013        201.37            182.04            19.33              0.00  ST       C
        1.0000  GOOGLE INC CLASS A SHRS - 38259P508 - MINOR = 34
          SOLD                     09/09/2014        591.13
          ACQ            1.0000    02/09/2010        591.13            268.56           322.57              0.00  LT    Y  F
        1.0000  GOOGLE INC CLASS C SHRS - 38259P706 - MINOR = 34
          SOLD                     09/09/2014        580.14
          ACQ            1.0000    02/09/2010        580.14            268.57           311.57              0.00  LT    Y  F
       18.0000  ISHARES S & P MIDCAP 400 INDEX FUND - 464287507 - MINOR = 78
          SOLD                     09/09/2014       2568.00
          ACQ           18.0000    10/24/2008       2568.00            907.82          1660.18              0.00  LT    Y  F
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ACCT 591V  095451          FIRST FINANCIAL TRUST & ASSET MANAGEMENT CO.
FROM 01/01/2014            STATEMENT OF CAPITAL GAINS AND LOSSES
TO   12/31/2014            JAMES FOUNDATION                                                      RUN 02/19/2015
                                                                                                     11:10:41 AM
                           TRUST YEAR ENDING  12/31/2014

TAX PREPARER:         117
TRUST ADMINISTRATOR: 5                                LEGEND:  F - FEDERAL      S - STATE      I - INHERITED
INVESTMENT OFFICER:  2                                         E - EXEMPT FROM STATE  U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION          SHARES     DATE          SALES PRICE        COST BASIS         GAIN/LOSS  MARKET DISCOUNT  TERM NC
--------------------          ------     ----          -----------        ----------         ---------  ---------------  ---- --

      11.0000  JOHNSON & JOHNSON INC - 478160104 - MINOR = 34
          SOLD                       09/09/2014           1139.90
          ACQ           11.0000      10/24/2003           1139.90            550.33            589.57              0.00  LT   Y  F
      10.7710  JP MORGAN SMALL CAP EQUITY FD SEL - 4812A1373 - MINOR = 43
          SOLD                       12/12/2014            500.21
          ACQ           10.7710      10/24/2003            500.21            246.55            253.66              0.00  LT   Y  F
       6.0000  KANSAS CITY SOUTHERN - 485170302 - MINOR = 34
          SOLD                       10/27/2014            714.63
          ACQ            6.0000      01/08/2014            714.63            702.79             11.84              0.00  ST      C
      47.0000  MATTEL INC - 577081102 - MINOR = 34
          SOLD                       05/08/2014           1855.90
          ACQ           47.0000      07/30/2013           1855.90           1985.93           -130.03              0.00  ST      C
      76.0000  MATTEL INC - 577081102 - MINOR = 34
          SOLD                       08/06/2014           2683.19
          ACQ           76.0000      07/30/2013           2683.19           3211.30           -528.11              0.00  LT      F
      22.0000  MEDTRONIC - 585055106 - MINOR = 34
          SOLD                       09/09/2014           1439.87
          ACQ           22.0000      01/22/2014           1439.87           1301.97            137.90              0.00  ST      C
      11.0000  MERCK & CO INC NEW - 58933Y105 - MINOR = 34
          SOLD                       09/09/2014            665.15
          ACQ           11.0000      03/01/2013            665.15            468.34            196.81              0.00  LT      F
      32.0000  MICROSOFT CORP - 594918104 - MINOR = 34
          SOLD                       07/17/2014           1439.27
          ACQ           32.0000      07/25/2012           1439.27            930.54            508.73              0.00  LT      F
      16.0000  MICROSOFT CORP - 594918104 - MINOR = 34
          SOLD                       09/09/2014            746.86
          ACQ           16.0000      07/25/2012            746.86            465.27            281.59              0.00  LT      F
      31.0000  MONDELEZ INTL INC - 609207105 - MINOR = 34
          SOLD                       08/05/2014           1115.67
          ACQ           31.0000      02/20/2013           1115.67            840.15            275.52              0.00  LT      F
       7.0000  MONDELEZ INTL INC - 609207105 - MINOR = 34
          SOLD                       09/09/2014            248.42
          ACQ            7.0000      02/20/2013            248.42            189.71             58.71              0.00  LT      F
       7.0000  NOVARTIS AG - 66987V109 - MINOR = 41
          SOLD                       09/09/2014            656.58
          ACQ            7.0000      05/18/2010            656.58            329.97            326.61              0.00  LT   Y  F
      12.0000  NOVARTIS AG - 66987V109 - MINOR = 41
          SOLD                       10/15/2014           1034.91
          ACQ           12.0000      05/18/2010           1034.91            565.66            469.25              0.00  LT   Y  F
      85.0000  ONEOK INC - 682680103 - MINOR = 34
          SOLD                       01/22/2014           5758.79
          ACQ           74.0000      03/23/2012           5013.53           3038.61           1974.92              0.00  LT      F
                        11.0000      01/11/2013            745.26            494.21            251.05              0.00  LT      F
      20.0000  ONEOK INC - 682680103 - MINOR = 34
          SOLD                       01/24/2014           1324.38
          ACQ           18.0000      01/11/2013           1191.94            808.71            383.23              0.00  LT      F
                         2.0000      03/15/2013            132.44             90.21             42.23              0.00  ST      C
      24.0000  ONEOK INC - 682680103 - MINOR = 34
          SOLD                       01/29/2014           1602.06
          ACQ           24.0000      03/15/2013           1602.06           1082.55            519.51              0.00  ST      C
       5.7950  OPPENHEIMER INTL SMALL CO FD-Y - 68380U506 - MINOR = 92
          SOLD                       12/12/2014            185.32
          ACQ            5.7950      02/27/2014            185.32            195.47            -10.15              0.00  ST      C
    2452.5790  PIMCO TOTAL RETURN FUND-INST - 693390700 - MINOR = 94
          SOLD                       09/26/2014          26659.54
          ACQ          324.9170      09/09/2011           3531.85           3583.84            -51.99              0.00  LT   Y  F
                       210.7030      09/28/2011           2290.34           2275.59             14.75              0.00  LT   Y  F
                       209.4910      09/28/2011           2277.17           2262.50             14.67              0.00  LT   Y  F
                       220.7480      01/17/2013           2399.53           2479.00            -79.47              0.00  LT      F
                       631.9060      09/10/2013           6868.82           6691.88            176.94              0.00  LT      F
                       854.8140      09/11/2014           9291.83           9317.47            -25.64              0.00  ST      C
      45.0000  PPL CORP - 69351T106 - MINOR = 34
          SOLD                       02/13/2014           1403.47
          ACQ           45.0000      01/24/2012           1403.47           1248.40            155.07              0.00  LT      F
     106.0000  PPL CORP - 69351T106 - MINOR = 34
          SOLD                       05/01/2014           3574.56
          ACQ           13.0000      01/24/2012            438.39            360.65             77.74              0.00  LT      F
                        67.0000      02/17/2012           2259.39           1910.18            349.21              0.00  LT      F
                        26.0000      05/29/2013            876.78            784.48             92.30              0.00  ST      C
       3.0000  PEPSICO INC - 713448108 - MINOR = 34
          SOLD                       08/05/2014            267.47
          ACQ            3.0000      09/30/2011            267.47            187.17             80.30              0.00  LT      F
       6.0000  PEPSICO INC - 713448108 - MINOR = 34
          SOLD                       09/09/2014            548.03
          ACQ            6.0000      09/30/2011            548.03            374.34            173.69              0.00  LT      F
      16.0000  RED HAT INC - 756577102 - MINOR = 34
          SOLD                       09/09/2014            971.50
          ACQ           11.0000      06/17/2014            667.91            577.81             90.10              0.00  ST      C
                         5.0000      06/17/2014            303.59            262.64             40.95              0.00  ST      C
      30.0000  SPDR S&P REGIONAL BANKING ETF (KBW)  - 78464A698 - MINOR = 34
          SOLD                       02/13/2014           1140.87
          ACQ           30.0000      10/26/2010           1140.87            690.19            450.68              0.00  LT   Y  F
      32.0000  SANDISK CORP - 80004C101 - MINOR = 34
          SOLD                       06/17/2014           3301.98
          ACQ            9.0000      04/19/2012            928.68            366.22            562.46              0.00  LT      F
                        23.0000      06/22/2012           2373.30            835.37           1537.93              0.00  LT      F
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ACCT 591V  095451         FIRST FINANCIAL TRUST & ASSET MANAGEMENT CO.                               PAGE 63
FROM 01/01/2014           STATEMENT OF CAPITAL GAINS AND LOSSES
TO   12/31/2014           JAMES FOUNDATION                                                           RUN 02/19/2015
                                                                                                        11:10:41 AM
                          TRUST YEAR ENDING  12/31/2014

TAX PREPARER:          117
TRUST ADMINISTRATOR: 5                                     LEGEND:  F - FEDERAL     S - STATE      I - INHERITED
INVESTMENT OFFICER:  2                                              E - EXEMPT FROM STATE  U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION        SHARES      DATE         SALES PRICE       COST BASIS        GAIN/LOSS  MARKET DISCOUNT  TERM NC
--------------------        ------      ----         -----------       ----------        ---------  ---------------  ---- --

        7.0000  SCHLUMBERGER LTD - 806857108 - MINOR = 34
             SOLD                    09/09/2014           726.23
             ACQ             7.0000  05/04/2006           726.23            496.40           229.83            0.00  LT   Y  F
       13.0000  UNION PAC CORP - 907818108 - MINOR = 34
             SOLD                    09/09/2014          1396.30
             ACQ            13.0000  09/16/2013          1396.30           1018.07           378.23            0.00  ST      C
        7.0000  UNITED PARCEL SERVICE, INC. - 911312106 - MINOR = 34
             SOLD                    09/09/2014           683.60
             ACQ             7.0000  10/25/2011           683.60            486.68           196.92            0.00  LT      F
        8.0000  UNITED PARCEL SERVICE, INC. - 911312106 - MINOR = 34
             SOLD                    10/15/2014           759.42
             ACQ             8.0000  10/25/2011           759.42            556.21           203.21            0.00  LT      F
        7.0000  UNITED PARCEL SERVICE, INC. - 911312106 - MINOR = 34
             SOLD                    10/24/2014           709.75
             ACQ             7.0000  10/25/2011           709.75            486.68           223.07            0.00  LT      F
       35.0000  VALERO ENERGY CORP (NEW) - 91913Y100 - MINOR = 34
             SOLD                    09/09/2014          1841.31
             ACQ            35.0000  06/12/2013          1841.31           1340.08           501.23            0.00  LT      F
     2707.7640  VANGUARD I/T INVESTMENT GRADE FD-ADM - 922031810 - MINOR = 94
             SOLD                    10/22/2014         27023.49
             ACQ           112.2070  09/29/2011          1119 83           1125.43            -5.60            0.00  LT   Y  F
                           680.6380  09/29/2011          6792.77           6826.80           -34.03            0.00  LT   Y  F
                           246.6890  01/17/2013          2461.96           2538.43           -76.47            0.00  LT      F
                           707.9200  09/10/2013          7065.04           6810.19           254.85            0.00  LT      F
                           960.3100  09/11/2014          9583.89           9478.26           105.63            0.00  ST      C
      999.0670  VANGUARD S/T INVESTMENT GRADE FD-ADM - 922031836 - MINOR = 94
             SOLD                    10/22/2014         10749.96
             ACQ           792.1670  09/29/2011          8523.72           8444.49            79.23            0.00  LT   Y  F
                           206.9000  01/17/2013          2226.24           2240.73           -14.49            0.00  LT      F
      890.5520  VANGUARD S/T INVESTMENT GRADE FD-ADM - 922031836 - MINOR = 94
             SOLD                    12/15/2014          9520.00
             ACQ            17.6140  01/17/2013           188.29            190.76            -2.47            0.00  LT      F
                           581.0840  09/10/2013          6211.79           6176.92            34.87            0.00  LT      F
                           291.8540  09/11/2014          3119.92           3128.68            -8.76            0.00  ST      C
      165.0000  VANGUARD EMERGING MARKETS ETF - 922042858 - MINOR = 78
             SOLD                    02/25/2014          6384.90
             ACQ           165.0000  09/22/2009          6384.90           6444.90           -60.00            0.00  LT   Y  F
       28.0000  VANGUARD EMERGING MARKETS ETF - 922042858 - MINOR = 78
             SOLD                    09/09/2014          1268.93
             ACQ            12.0000  09/22/2009           543.83            468.72            75.11            0.00  LT   Y  F
                            16.0000  09/28/2009           725.10            615.36           109.74            0.00  LT   Y  F
        5.0000  VANGUARD MATERIALS ETF - 92204A801 - MINOR = 34
             SOLD                    09/09/2014           560.89
             ACQ             5.0000  05/21/2013           560.89            462.32            98.57            0.00  LT      F
       59.0000  WELLPOINT INC - 94973V107 - MINOR = 34
             SOLD                    03/26/2014          5900.70
             ACQ            59.0000  09/20/2012          5900.70           3480.89          2419.81            0.00  LT      F
       33.0000  YAHOO! INC - 984332106 - MINOR = 34
             SOLD                    09/09/2014          1343.07
             ACQ            33.0000  05/13/2014          1343.07           1137.30           205.77            0.00  ST      C
        8.0000  CHECK POINT SOFTWARE TECH - M22465104 - MINOR = 34
             SOLD                    09/09/2014           569.35
             ACQ             8.0000  02/12/2013           569.35            413.83           155.52            0.00  LT      F
                                                 ---------------  ----------------
                                      TOTALS           217525.43         188432.09
                                                 ===============  ================


SUMMARY OF CAPITAL GAINS/LOSSES
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FEDERAL                   SHORT TERM   LONG TERM 28%       LONG TERM       ST WASH SALE    LT WASH SALE       1250 GAIN
                        ------------    ------------    ------------       ------------    ------------    ------------
NONCOVERED FROM ABOVE           0.00            0.00        11991.02               0.00            0.00            0.00*
COVERED FROM ABOVE           2536.24            0.00        14566.08               0.00            0.00
COMMON TRUST FUND               0.00            0.00            0.00                                               0.00
CAPITAL GAIN DIV/DIST          80.28            0.00         1125.59                                               0.00
                        ------------    ------------    ------------       ------------    ------------    ------------
                             2616.52            0.00        27682.69               0.00            0.00            0.00
                        ============    ============    ============       ============    ============    ============
STATE

NONCOVERED FROM ABOVE           0.00            0.00        11991.02               0.00            0.00            0.00*
COVERED FROM ABOVE           2536.24            0.00        14566.08               0.00            0 00
COMMON TRUST FUND               0.00            0.00            0.00                                               0.00
CAPITAL GAIN DIV/DIST          80.28            0.00         1125.59                                               0.00
                        ------------    ------------    ------------       ------------    ------------    ------------
                             2616.52            0.00        27682.69               0.00            0.00            0.00
                        ============    ============    ============       ============    ============    ============
                                                                           * - 1250 GAIN DETAILED ON TRANS PAGES, NOT ABOVE
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