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Department of the Treasury
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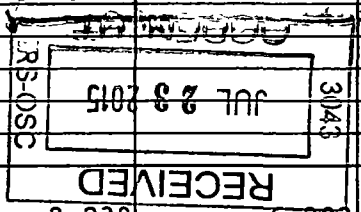
Open to Public Inspection

For calendar year 2014 or tax year beginning 06/01/14, and ending 05/31/15

Name of foundation Blanche G. Terry Educational Trust C/O Citizens National Bank, Trustee		A Employer identification number 75-6173637
Number and street (or P O box number if mail is not delivered to street address) 400 West Collin Street	Room/suite	B Telephone number (see instructions) 903-874-1700
City or town, state or province, country, and ZIP or foreign postal code Corsicana TX 75110		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 778,147	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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 <i>N/A</i>	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	19,154	19,154		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	26,130			
	b Gross sales price for all assets on line 6a 48,587				
	7 Capital gain net income (from Part IV, line 2)		26,130		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	45,284	45,284			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	6,810	6,129		681
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) Stmt 1	740	74		666
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) Stmt 2	689			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (att sch)					
24 Total operating and administrative expenses. Add lines 13 through 23	8,239	6,203		1,347	
25 Contributions, gifts, grants paid	35,200			35,200	
26 Total expenses and disbursements. Add lines 24 and 25	43,439	6,203		36,547	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	1,845				
b Net investment income (if negative, enter -0-)		39,081			
c Adjusted net income (if negative, enter -0-)					

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash – non-interest-bearing			
	2 Savings and temporary cash investments	35,918	15,585	15,585
	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 (att schedule) ▶ Less: allowance for doubtful accounts ▶	0		
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	2,680	1,991	1,991
	10a Investments – U.S. and state government obligations (attach schedule) Stmt 3	25,192	25,100	26,519
	b Investments – corporate stock (attach schedule)			
	c Investments – corporate bonds (attach schedule)			
	11 Investments – land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule) See Statement 4	597,628	620,587	734,052
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
15 Other assets (describe ▶ See Statement 5)	2	2		
16 Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	661,420	663,265	778,147	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	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. ▶ <input checked="" type="checkbox"/>			
	24 Unrestricted	661,420	663,265	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	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)	661,420	663,265		
31 Total liabilities and net assets/fund balances (see instructions)	661,420	663,265		

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	661,420
2	Enter amount from Part I, line 27a	2	1,845
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	663,265
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	663,265

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 Columbia Acorn fund	P		07/09/14
b T. Rowe Price Blue Chip	P		07/09/14
c Thornburg International Value	P		07/09/14
d Capital Gain Distributions			
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 4,000		1,897	2,103
b 18,000		9,560	8,440
c 13,647		11,000	2,647
d 12,940			12,940
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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			2,103
b			8,440
c			2,647
d			12,940
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	26,130
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))
2013	32,571	753,689	0.043215
2012	30,981	705,824	0.043893
2011	29,612	606,707	0.048808
2010	29,588	610,971	0.048428
2009	27,243	587,212	0.046394

2 Total of line 1, column (d)	2	0.230738
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	0.046148
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	763,588
5 Multiply line 4 by line 3	5	35,238
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	391
7 Add lines 5 and 6	7	35,629
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	36,547

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	391
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	0
3	Add lines 1 and 2	3	391
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	391
6	Credits/Payments:		
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	1,991
b	Exempt foreign organizations – tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	1,991
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	1,600
11	Enter the amount of line 10 to be: Credited to 2015 estimated tax 1,600 Refunded	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? 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) 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	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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► Citizens National Bank 400 West Collin Street Located at ► Corsicana TX ZIP+4 ► 75110 Telephone no. ► 903-874-1700			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15		
16	At any time during calendar year 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? 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 ►	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014? N/A	1c	
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? If "Yes," list the years ► 20 , 20 , 20 , 20 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) N/A	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 2014?	4b	X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 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)? **N/A** **5b**

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **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** Yes 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
Citizens National Bank 400 West Collin	Corsicana TX 75110	Trustee 5.00	6,810	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 ▶

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	
3 All other program-related investments. See instructions	

Total. Add lines 1 through 3 ▶

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	756,300
b	Average of monthly cash balances	1b	16,925
c	Fair market value of all other assets (see instructions)	1c	1,991
d	Total (add lines 1a, b, and c)	1d	775,216
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	775,216
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	11,628
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	763,588
6	Minimum investment return. Enter 5% of line 5	6	38,179

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	38,179
2a	Tax on investment income for 2014 from Part VI, line 5	2a	391
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	391
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	37,788
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	37,788
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	37,788

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	36,547
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	36,547
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	391
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	36,156

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				37,788
2 Undistributed income, if any, as of the end of 2014:				
a Enter amount for 2013 only			35,077	
b Total for prior years. 20____, 20____, 20____				
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				
4 Qualifying distributions for 2014 from Part XII, line 4: ▶ \$ <u>36,547</u>				
a Applied to 2013, but not more than line 2a			35,077	
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2014 distributable amount				1,470
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions				
e Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount – see instructions				
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				36,318
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)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a				
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)

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

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

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
N/A
- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
N/A
- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d
- a** The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:
N/A
- b** The form in which applications should be submitted and information and materials they should include:
Scholarship application form
- c** Any submission deadlines:
April 15 Annually
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
Navarro County, Texas Residents

Part XV Supplementary Information (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE ATTACHED LIST	NONE		SCHOLARSHIPS	35,200
Total				▶ 3a 35,200
b Approved for future payment N/A				
Total				▶ 3b

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	\$ 740	\$ 74	\$	\$ 666
Total	\$ 740	\$ 74	\$	\$ 666

Statement 2 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
990 PF	\$ 689	\$	\$	\$
Total	\$ 689	\$	\$	\$

Statement 3 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
25M FNMA 8.2% Due 03-10-16	\$ 25,192	\$ 25,100	Cost	\$ 26,519
Total	\$ 25,192	\$ 25,100		\$ 26,519

Federal Statements

Statement 4 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Harbor Bond Fund	\$ 110,536	\$ 110,536	Cost	\$ 110,017
T Rowe Price High Yield Fund	60,000	60,000	Cost	59,057
Templeton Global Bond Fund		26,000	Cost	24,096
Vanguard GNMA Fund #536	73,322	80,322	Cost	83,938
Vanguard Short Term Corp Fund #539	160,060	160,060	Cost	160,595
Columbia Acorn Fund	13,236	11,338	Cost	21,408
Columbia Acorn Int'l Fund	6,951	6,951	Cost	14,050
T Rowe Price Blue Chip Growth	53,867	44,307	Cost	99,805
Mutual Global Discovery Fund-Class Z	18,000	18,000	Cost	22,703
Thornberg International Value #139	11,000		Cost	
Gabelli Equity Income I Fund	58,656	57,073	Cost	82,677
Harbor International Inst Fund		14,000	Cost	13,662
Third Avenue Real Estate Value Fund	17,000	17,000	Cost	21,808
Vanguard Small Cap Index Fund	15,000	15,000	Cost	20,236
Total	\$ 597,628	\$ 620,587		\$ 734,052

Federal Statements**Statement 5 - Form 990-PF, Part II, Line 15 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Fair Market Value</u>
Mineral Interests	\$ 2	\$ 2	\$
Total	\$ 2	\$ 2	\$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

<u>Description</u>
Scholarship application form

Form 990-PF, Part XV, Line 2c - Submission Deadlines

<u>Description</u>
April 15 Annually

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

<u>Description</u>
Navarro County, Texas Residents

BLANCHE TERRY SCHOLARSHIP AMTS 6-1-2014 - 5-31-2015

NAME	AMOUNT
Tiano Appleton 1404 E. Collin Corsicana, Texas 75110	800.00
Allen Bernal P. O. Box 228 Corsicana, Texas 75151	800.00
Travis Blackwell 301 FCR 461 Buffalo, Texas 75831	1200.00
Joshua Brown 106 SH 75 S. Fairfield, Texas 75840	1200.00
Clark Carrizales 1524 Maplewood Avenue Corsicana, Texas 75110	600.00
Jacob Cole 1604 E. Beverly Drive Corsicana, Texas 75110	600 00
Jason Dilbeck 1216 Bowie Circle Corsicana, Texas 75110	1600.00
William Doyle 255 CR 1250 Fairfield, Texas 75840	400.00
Isiah Flores 3200 CR 1250 Powell, Texas 75153	600.00
Adrian Gooden 1418 Mockingbird Lane Corsicana, Texas 75110	800.00
Kaiden B. Gray (Kevin Miller) P O Box 1652 Fairfield, Texas 75848	1,200.00
Lane Harrington P. O. Box 163 Frost, Texas 76641	800 00

James Jones	1200.00	
1445 W. 3rd Avenue		
Corsicana, Texas 75110		
Dzifa Mallet	1600.00	
901 E 13th Avenue #22B		
Corsicana, Texas 75110		
Armando Martinez	800.00	
327 NW CR 2100		
Corsicana, Texas 75110		
Mark Martinez	400.00	
154 N. 10th Street West		
Dawson, Texas 76639		
Andrew McBryde	1600.00	
2201 Cambridge Street		
Corsicana, Texas 75110		
Ernest McGhee	800.00	
3522 Kings Circle		
Corsicana, Texas 75110		
Chester McGowan, III	1800.00	
7258 SE CR 3248		
Kerens, Texas 75144		
John Mooneyham	1200.00	
101 Private Road 1283		
Fairfield, Texas 75840		
Ryan Motley	600.00	
201 NW CR 17		
Corsicana, Texas 75110		
Michael L. Muncy	1600.00	
411 W. Ledwell Road		
Corsicana, Texas 75109		
Jeffrey Proctor	1200.00	
326 CR 1250		
Fairfield, Texas 75840		
Aaron Raney	600.00	
813 Ambassador		
Corsicana, Texas 75110		
Zachary Rash	800.00	
6406 SW CR 1100		
Corsicana, Texas 75110		

PLUS: REFUNDS		
JAKE MCCLURE	300 00	
EMILIO COMPOZ	300.00	
KEVIN CUELLAR	400.00	
CHESTER MCGOWAN, III	600.00	
REFUND AMT	1600.00	
TOTAL SCHOLARSHIP AMT	35,200.00	

BLANCHE G. TERRY
SCHOLARSHIP GUIDELINES

PURPOSE:

The purpose of the Blanche G. Terry Scholarship is to provide financial assistance for attendance at Texas post-secondary institutions to needy and deserving young men.

ELIGIBILITY:

1. High School graduate.
2. Not over the age of 21 at the time of initial application.
3. Not related to Blanche G. Terry.
4. Not related to member of Blanche G. Terry Scholarship Committee.
5. Must plan to be in full (minimum of 12 semester hours or equivalent) attendance at post-secondary institution in the State of Texas during the fall semester of the year in which the application is submitted.
6. Must pass at least 12 semester hours or equivalent with at least a 2.0 or "C" grade point average at the post-secondary institution attended to continue eligibility.

APPLICATION AND SELECTION:

The completed application along with supporting documentation shall be sent to Citizens National Bank Trust Department, 400 West Collin, Corsicana, Texas 75110 by April 17th of the year in which student hopes to receive the scholarship. The Committee will evaluate the applications and interview applicants by May 21st.

Selection will be based on financial need and academic promise as determined by the Committee, and will be made without regard to race, creed, color, or national origin. Preference will be given to residents of Navarro County because of the relatively small size of the Trust.

AMOUNT AND USE OF FUNDS:

1. Amount of the scholarship will be determined on an individual basis, but, generally will not exceed \$800.00 per semester or \$1,600.00 per nine month academic year.
2. Scholarship cannot continue for more than eight semesters or the equivalent without additional consideration by Committee.
3. Funds will be expended for direct educational expenses only, meaning tuition, mandatory fees, books, supplies, room and/or board (on campus).
4. Scholarships can be adjusted by the Committee on an annual basis on availability of funds.
5. Funds will be paid directly to the institution student plans to attend when possible. Otherwise, student will be required to present receipts clearly identifying expenditures for reimbursement from the Blanche G. Terry Scholarship Trust.

Any circumstances not provided for in these guidelines will be considered by the Committee and/or Trustee as they arise.

BLANCHE G. TERRY EDUCATIONAL FUND

RECIPIENT AGREEMENT

The Blanche G. Terry Educational Trust is to be awarded to needy worthy boys to attend college in the State of Texas, per the terms of Blanche G. Terry's Will.

Accordingly, if selected as a recipient, I agree to abide by the rules and regulations governing the scholarship as follows:

1. I will be a full-time student at the institute I attend and will pass a minimum of 12 semester hours or the equivalent during each grading period, with at least a 2.0 or "C" grade point average.
2. I will notify the Committee of any significant change in my financial status, for example, award of another scholarship, which would cover a majority of my expenses.
3. I will conduct my behavior in a manner acceptable to the community and abide by the rules and regulations of the institute I attend.
4. I will furnish any requested receipts, proof of enrollment, etc., requested of me.
5. I will furnish a copy of my grades to the Trustee at the end of each grading period.
6. I am not related to the Blanche G. Terry family or to a member of the Scholarship Committee.

BY: _____

DATE: _____

FAMILY INFORMATION

Father/Guardian _____
Name Age Occupation

Employer _____
Name Address Telephone Number

Mother/Guardian _____
Name Age Occupation

Employer _____
Name Address Telephone Number

Adjusted Gross Family Income* _____ Number of Dependents _____
(*ATTACH COPY OF MOST RECENT IRS FORM 1040)

CHARACTER REFERENCES OF APPLICANT

Name Address Telephone No.

Name Address Telephone No.

Name of College or Institution you plan to attend _____

Anticipated Major or course of study _____

Estimated expenses per semester (Tuition, Fees, Books, Supplies, etc.) _____

WRITE, in 150 words or less "MY GOAL THROUGH EDUCATION".
(You may attach a separate page)

WE CERTIFY THAT TO THE BEST OF OUR KNOWLEDGE THE INFORMATION IN THIS APPLICATION FOR A BLANCHE G TERRY SCHOLARSHIP IS CORRECT AND COMPLETE. WE FURTHER CERTIFY THAT, IF SELECTED, WE WILL ABIDE BY THE RULES AND REGULATIONS OF THE BLANCHE G. TERRY SCHOLARSHIP.

Signature of Applicant _____ Date _____

Signature of Parent/Guardian _____ Date _____

Send completed form to: CITIZENS NATIONAL BANK
400 WEST COLLIN
CORSICANA, TEXAS 75110