

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

2016

Department of the Treasury
Internal Revenue Service

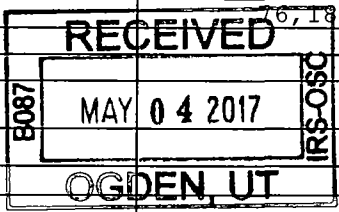
▶ **Do not enter social security numbers on this form as it may be made public.**
▶ **Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.**

Open to Public Inspection

For calendar year 2016 or tax year beginning , 2016, and ending

Name of foundation SCHUG FOUNDATION c/o PEGGY COBB SCHUG		A Employer identification number 56-6583795
Number and street (or P O box number if mail is not delivered to street address) 7013 ERIN COURT		B Telephone number (see instructions) (704) 552-0474
City or town, state or province, country, and ZIP or foreign postal code CHARLOTTE NC 28210-4906		C If exemption application is pending, check here ▶ <input type="checkbox"/>
G Check all that apply		D 1 Foreign organizations, check here ▶ <input type="checkbox"/>
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	2 Foreign organizations meeting the 85% test, check here and attach computation ▶ <input type="checkbox"/>
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ <input type="checkbox"/>
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ <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		
Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 714,051.		
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)		

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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))				
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	18,115.	18,115.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		76,186.		
8 Net short-term capital gain			425.	
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)				
RECOVERY OF AMOUNTS TREATED AS DISTRIBUTIONS				
12 Total Add lines 1 through 11.	19,615.	94,301.	425.	
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits.				
16a Legal fees (attach schedule).				
b Accounting fees (attach sch).				
c Other professional fees (attach sch) L-16c Stmt.	19,460.	5,110.		
17 Interest	6.	6.		
18 Taxes (attach schedule)(see instrs) See Line.18 Stmt	866.	866.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) See Line 23 Stmt	312.			
24 Total operating and administrative expenses Add lines 13 through 23	20,644.	5,982.		
25 Contributions, gifts, grants paid	207,880.			
26 Total expenses and disbursements. Add lines 24 and 25	228,524.	5,982.		
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-208,909.			
b Net investment income (if negative, enter -0-).		88,319.		
c Adjusted net income (if negative, enter -0-).			425.	



10

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	2,329.	2,456.	2,456.
	2 Savings and temporary cash investments	74,096.	79,114.	79,114.
	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)			
	b Investments – corporate stock (attach schedule) L-10b Stmt	516,110.	415,235.	415,235.
	c Investments – corporate bonds (attach schedule) L-10c Stmt	281,530.	217,246.	217,246.
	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).	874,065.	714,051.	714,051.	
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)			
NET ASSET BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" 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	874,065.	714,051.	
	30 Total net assets or fund balances (see instructions)	874,065.	714,051.	
31 Total liabilities and net assets/fund balances (see instructions)	874,065.	714,051.		

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	874,065.
2 Enter amount from Part I, line 27a	2	-208,909.
3 Other increases not included in line 2 (itemize) ▶ UNREALIZED APPRECIATION	3	48,895.
4 Add lines 1, 2, and 3	4	714,051.
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	714,051.

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 (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1 a SEE ATTACHED SCHEDULE - SHORT TERM GAINS	P	Various	Various
b SEE ATTACHED SCHEDULE - LONG TERM GAINS	P	Various	Various
c CAPITAL GAIN DISTRIBUTIONS	P	Various	Various
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 3,766.		3,341.	425.
b 284,855.		212,731.	72,124.
c 3,637.		0.	3,637.
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a 0.	0.	0.	425.
b 0.	0.	0.	72,124.
c 0.	0.	0.	3,637.
d			
e			

2 Capital gain net income or (net capital loss)	<input type="checkbox"/> If gain, also enter in Part I, line 7 <input type="checkbox"/> If (loss), enter -0- in Part I, line 7	2	76,186.
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	<input type="checkbox"/> If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	425.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If 'Yes,' the foundation does not qualify under section 4940(e) Do not complete this part

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	229,346.	994,042.	0.230721
2014	194,634.	1,181,499.	0.164735
2013	158,628.	1,249,933.	0.126909
2012	164,809.	1,275,128.	0.129249
2011	140,458.	1,357,349.	0.103480

2 Total of line 1, column (d)	2	0.755094
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	0.151019
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5.	4	777,809.
5 Multiply line 4 by line 3	5	117,464.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	883.
7 Add lines 5 and 6.	7	118,347.
8 Enter qualifying distributions from Part XII, line 4	8	207,880.

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 <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	883.
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	883.
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	883.
6 Credits/Payments		
a 2016 estimated tax pmts and 2015 overpayment credited to 2016	6 a	994.
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	994.
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	111.
11 Enter the amount of line 10 to be Credited to 2017 estimated tax 111. 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?		X
<i>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</i>		
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? <i>If 'Yes,' attach a detailed description of the activities</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a 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? <i>If 'Yes,' attach the statement required by General Instruction T</i>		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? <i>If 'Yes,' complete Part II, col (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) NORTH CAROLINA		
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? <i>If 'No,' attach explanation</i>	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 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		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)		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).		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	X	
14 The books are in care of ▶ PHILLIPS BRAGG Telephone no ▶ (704) 377-0261 Located at ▶ 1031 S. CALDWELL ST., STE. 200 CHARLOTTE, NC ZIP + 4 ▶ 28203		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ 15		
16 At any time during calendar year 2016, 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?		X
See the instructions for exceptions and filing requirements for FinCEN Form 114. 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? <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 type="checkbox"/> Yes <input checked="" 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)?	1 b	
Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>		
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 2016?	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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If 'Yes,' did it have excess business holdings in 2016 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 2016)	3 b	
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 2016?	4 b	X

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

5 a 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)?

5 b

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?

Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945–5(d)

6 a 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?

6 b

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

7 a 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?

7 b

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
JOHN B. SCHUG 7013 ERIN COURT CHARLOTTE NC 28210	TRUSTEE 2.00	0.	0.	0.
PEGGY C. SCHUG 7013 ERIN COURT CHARLOTTE NC 28210	TRUSTEE 2.00	0.	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 None

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 ▶	None	

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 ----- -----	
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 ----- -----	
2 ----- -----	
All other program-related investments See instructions 3 ----- -----	
Total. Add lines 1 through 3 ▶	

BAA

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	1 a	757,471.
b Average of monthly cash balances	1 b	32,183.
c Fair market value of all other assets (see instructions)	1 c	
d Total (add lines 1a, b, and c)	1 d	789,654.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	789,654.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	11,845.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	777,809.
6 Minimum investment return. Enter 5% of line 5	6	38,890.

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	38,890.
2 a Tax on investment income for 2016 from Part VI, line 5	2 a	883.
b Income tax for 2016 (This does not include the tax from Part VI)	2 b	
c Add lines 2a and 2b	2 c	883.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	38,007.
4 Recoveries of amounts treated as qualifying distributions	4	1,500.
5 Add lines 3 and 4	5	39,507.
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	39,507.

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	1 a	207,880.
b Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	207,880.
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	883.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	206,997.

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				39,507.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years: 20 __, 20 __, 20 __				
3 Excess distributions carryover, if any, to 2016:				
a From 2011	73,749.			
b From 2012	102,129.			
c From 2013	97,925.			
d From 2014	136,601.			
e From 2015	180,126.			
f Total of lines 3a through e	590,530.			
4 Qualifying distributions for 2016 from Part XII, line 4. ▶ \$ 207,880.				
a Applied to 2015, but not more than line 2a				
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 2016 distributable amount				39,507.
e Remaining amount distributed out of corpus	168,373.			
5 Excess distributions carryover applied to 2016 (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	758,903.			
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				
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				0.
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 2011 not applied on line 5 or line 7 (see instructions)	73,749.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	685,154.			
10 Analysis of line 9				
a Excess from 2012	102,129.			
b Excess from 2013	97,925.			
c Excess from 2014	136,601.			
d Excess from 2015	180,126.			
e Excess from 2016	168,373.			

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 2016, 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)	<input type="checkbox"/> 4942(j)(3) or				<input type="checkbox"/> 4942(j)(5)
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	Tax year	Prior 3 years			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
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))
 PEGGY SCHUG
- 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
 PHILLIPS M. BRAGG
 1031 S. CALDWELL ST., STE. 200
 CHARLOTTE NC 28203 (704) 377-0261
- b** The form in which applications should be submitted and information and materials they should include
 THE SCHUG FOUNDATION SCHOLARSHIP APPLICATION
- c** Any submission deadlines
 APPLICATION DEADLINE FOR NEW APPLICANTS IS APRIL 30 OF EACH YEAR.
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
 SCHOLARSHIPS AWARDED TO N.C. RESIDENTS AND TO THE EXTENT FEASIBLE, PREFERENCE FOR SCHOLARSHIPS GIVEN TO RESIDENTS OF MECKLENBURG, HAYWOOD OR JACKSON COUNTIES.

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				
KENDRA KIRKPATRICK 250 TIPP FIELD LANE CLYDE NC 28721	NONE	GOOD	APPALACHIAN STATE TUITION	3,000.
EMILY MASON 449 ASSEMBLY STREET WAYNESVILLE NC 28786	NONE	GOOD	APPALACHIAN STATE TUITION	1,500.
MARIA RIVERA P.O. BOX 668 HAZELWOOD NC 28738	NONE	GOOD	APPALACHIAN STATE TUITION	1,500.
SYDNEY WAY 2813 SLOAN DRIVE CHARLOTTE NC 28208	NONE	GOOD	UNC CHARLOTTE TUITION	1,500.
SHACOYA LOTHERY 906 BEDROCK ROAD CHARLOTTE NC 28270	NONE	GOOD	UNC - CHARLOTTE BOOKS	620.
FREDDY YODI 7015 MARLBROOK DRIVE CHARLOTTE NC 28212	NONE	GOOD	NC CENTRAL UNIVERSITY TUITION	2,000.
GARDY SWENGBE 6601 FARMINGDALE DRIVE CHARLOTTE NC 28212	NONE	GOOD	NC A&T UNIV. TUITION	423.
BRENDON DAVIS 141 WAVERLY HALL DRIVE CHARLOTTE NC 28211	NONE	GOOD	WINSTON SALEM STATE TUITION	1,000.
SUEHIER ALI 1613 BEAR BROOK DRIVE CHARLOTTE NC 28214	NONE	GOOD	ELIZABETH CITY STATE UNIV. TUITION	1,000.
See Line 3a statement			-	
Total				3 a 195,337.
b Approved for future payment				
Total				3 b

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
FOREIGN TAXES WITHHELD	156.	156.		
FEDERAL TAXES	710.	710.		
Total	866.	866.		

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
BANK CHARGES	164.			
PERSHING CHARGES	148.			
Total	312.			

Form 990-PF, Page 11, Part XV, line 3a

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foun- dation status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox	
				Amount	
a Paid during the year					
BRANNON JONES 209 GRANDIN ROAD CHARLOTTE NC 28208	NONE	GOOD	UNC CHARLOTTE TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.
GRACIA SHEMBO HOUZE 4845 ASHLEY PARK LN., APT. 315 CHARLOTTE NC 28210	NONE	GOOD	UNC CHARLOTTE TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
NAJEE BROWN 7328 MOSSBOROUGH CT. CHARLOTTE NC 28227	NONE	GOOD	EAST CAROLINA UNIV. TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.
ELIZABETH HAYNES 114 AUBURN ROAD WAYNESVILLE NC 28786	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
RACHEL CLARK 53 CLARK ROAD CLYDE NC 28721	NONE	GOOD	MARS HILL UNIV. TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.
SHELBY CLARK 123 PRETTY VIEW LANE WAYNESVILLE NC 28785	NONE	GOOD	WESTERN CAROLINA UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,000.
THOMAS HAY 234 BRAMLETT DRIVE WAYNESVILLE NC 28785	NONE	GOOD	WARREN WILSON COLLEGE BOOKS	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 402.
LINDSAY BARTH 181 AZALEA DRIVE WAYNESVILLE NC 28786	NONE	GOOD	UNC - CHAPEL HILL TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.

Form 990-PF, Page 11, Part XV, line 3a
Line 3a statement

Continued

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foun- dation status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox
				Amount
a Paid during the year				
BRANSON TAYLOR MCMULLEN 216 ACORN LANE CLYDE NC 28721	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
JARED RIGDON P.O. BOX 224 HAZELWOOD NC 28738	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
SYDNEY KAPSALIS 2889 BEAVERDAM ROAD CANTON NC 28716	NONE	GOOD	APPALACHIAN STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
BRIANNA WALTON 10204 ASHLEY FARMS DRIVE MATTHEWS NC 28105	NONE	GOOD	WINSTON SALEM STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
JENNY WEST 1191 DIX TRAIL WAYNESVILLE NC 28785	NONE	GOOD	EAST TN STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
JEFFREY COOPER 8649 BROOKINGS DRIVE CHARLOTTE NC 28269	NONE	GOOD	UNC - CHAPEL HILL TUITION & BOOKS	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 2,612.
LINA NGUYEN 6134 WHITEWATER DRIVE CHARLOTTE NC 28214	NONE	GOOD	UNC-CHARLOTTE TUITION & BOOKS	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 4,468.
CAMERON DAVIS 1512 CEDARWOOD LANE CHARLOTTE NC 28212	NONE	GOOD	UNC - GREENSBORO TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
MALIK BLACK 9224 SHACKLEFORD TERRACE CHARLOTTE NC 28227	NONE	GOOD	WINSTON SALEM STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
CAMAYA MILLER 9616 VINCA CIRCLE, UNIT C CHARLOTTE NC 28213	NONE	GOOD	ELON UNIVERSITY TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 4,500.
MALOREE BURGIN 61 CIDER LANE WAYNESVILLE NC 28786	NONE	GOOD	UNC CHARLOTTE TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
AMELIA MACDONALD 73 HEART LANE MAGGIE VALLEY NC 28751	NONE	GOOD	WARREN WILSON COLLEGE BOOKS	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 500.
ISAAC SLUDER 4735 JOHNATHAN CREEK ROAD WAYNESVILLE NC 28785	NONE	GOOD	UNC CHARLOTTE TUITION & BOOKS	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
ROSS BUCHANAN 148 PLAYGROUND STREET WAYNESVILLE NC 28786	NONE	GOOD	UNC ASHEVILLE TUITION & BOOKS	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 2,201.
BAILEY HILL 416 PENLAND STREET CLYDE NC 28721	NONE	GOOD	UNC CHAPEL HILL TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox
				Amount
a Paid during the year				
EDWARD L. CORNWELL, JR. 280 LITTLETON ROAD LAKE JUNALUSKA NC 28745	NONE	GOOD	NC STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
NOLAN ROSS 955 ALLENS CREEK ROAD WAYNESVILLE NC 28786	NONE	GOOD	GUILFORD COLLEGE TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 4,500.
STEVEN BOTTOMS 232 GLANCE COVE ROAD CLYDE NC 28721	NONE	GOOD	NC STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
JESSE ROSS 955 ALLENS CREEK ROAD WAYNESVILLE NC 28786	NONE	GOOD	QUEENS UNIVERSITY TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
ADAM CHAMBERS 349 CRAWFORD ROAD WAYNESVILLE NC 28785	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
JULIA SKELTON 166 AZALEA DRIVE WAYNESVILLE NC 28786	NONE	GOOD	UNC CHAPEL HILL TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
MARGARET ROGERS 1299 FERN TRAIL WAYNESVILLE NC 28786	NONE	GOOD	NC STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
SALINA DICKIE 224 SHORT RIDGE LANE CLYDE NC 28721	NONE	GOOD	UNC CHARLOTTE TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
LAURA PARKS 149 CLEMENT DRIVE WAYNESVILLE NC 28786	NONE	GOOD	APPALACHIAN STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
BENJAMIN SEARS P.O. BOX 602 CLYDE NC 28721	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
EMILY DOVER 230 BOOMER RUN DRIVE WAYNESVILLE NC 28785	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
ANJELICA PENDERGRASS 11135 SHANDON WAY LANE CHARLOTTE NC 28262	NONE	GOOD	WINSTON SALEM STATE UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
ASHLEY WALKER 6517 YATESWOOD DRIVE, #F CHARLOTTE NC 28212	NONE	GOOD	UNC GREENSBORO BOOKS	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,619.
SYMONE CURRY 14808 CASTLETOWN HOUSE DRIVE CHARLOTTE NC 28273	NONE	GOOD	NC CENTRAL UNIVERSITY TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
NAIYA SMITH 2125 HEATHER GLEN LANE CHARLOTTE NC 28208	NONE	GOOD	NC A&T STATE UNIVERSITY TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foun- dation status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox	
				Amount	
a Paid during the year					
CHRISTIAN GENTRY 450 BRYSON HEIGHTS WAYNESVILLE NC 28786	NONE	GOOD	APPALACHIAN STATE UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.
SAMUEL LUPTON 75 CHESTNUT GROVE LANE CLYDE NC 28721	NONE	GOOD	WESTERN CAROLINA UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
FISHER CHARLTON 232 CAROLINA AVENUE WAYNESVILLE NC 28786	NONE	GOOD	WESTERN CAROLINA UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
TAYLOR WHITAKER 397 PUTNAM PHILLIPS DRIVE CLYDE NC 28721	NONE	GOOD	UNC - CHAPEL HILL TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 4,500.
SARAH COOK 62 LENOIR CIRCLE WAYNESVILLE NC 28786	NONE	GOOD	EAST CAROLINA UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 4,500.
AMANDA CLARK 53 CLARK ROAD CLYDE NC 28721	NONE	GOOD	LENOIR-RHYNE UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
LUCAS CAMPBELL 2544 DELLWOOD ROAD WAYNESVILLE NC 28786	NONE	GOOD	NC STATE UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
LUCY MEDFORD 197 ROUNDTOP ROAD WAYNESVILLE NC 28785	NONE	GOOD	EAST TENNESSEE STATE UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
KELLY PARKINS 6434 PANTHER CREEK ROAD CLYDE NC 28721	NONE	GOOD	WESTERN CAROLINA UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
NANCY MEDFORD 172 ROUNDTOP ROAD WAYNESVILLE NC 28785	NONE	GOOD	EAST TENNESSEE STATE UNIVERSITY TUITION	Person or Business	<input type="checkbox"/> <input checked="" type="checkbox"/> 3,000.
REILLY CARTER 35 KNOLL RIDGE LANE WAYNESVILLE NC 28785	NONE	GOOD	WESTERN CAROLINA UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
KARI L. BEAN 1015 FIE TOP ROAD MAGGIE VALLEY NC 28751	NONE	GOOD	UNC - ASHEVILLE TUITION & BOOKS	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,611.
SIERRA DIENNO 275 DOLAN ROAD WAYNESVILLE NC 28786	NONE	GOOD	APPALACHIAN STATE UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
SAVANNAH ARNOLD 97 HILLCREST DRIVE CLYDE NC 28721	NONE	GOOD	WESTERN CAROLINA UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.
SUMMER RHODES 891 OAKDALE ROAD WAYNESVILLE NC 28786	NONE	GOOD	CAMPBELL UNIVERSITY TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.

Form 990-PF, Page 11, Part XV, line 3a
Line 3a statement

Continued

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foun- dation status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox
				Amount
a Paid during the year				
MORGAN BUCHANAN 148 PLAYGROUND ST. WAYNESVILLE NC 28786	NONE	GOOD	WESTERN CAROLINA UNIVERSITY TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
SAMANTHA BEASLEY 1711 ALLENS CREEK ROAD WAYNESVILLE NC 28786	NONE	GOOD	WARREN WILSON COLLEGE TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 4,500.
MARY MCCRORY 172 STREAMWOOD CIRCLE WAYNESVILLE NC 28786	NONE	GOOD	UNC - ASHEVILLE TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
JACKSON HEINZ 80 OLIVER DRIVE WAYNESVILLE NC 28786	NONE	GOOD	CAMPBELL UNIVERSITY TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
SARAH FERGUSON 65 PLAYGROUND STREET WAYNESVILLE NC 28786	NONE	GOOD	NC STATE UNIVERSITY TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
ASANTE HAZZIEZ 1060 TARA LANE, APT. 11 CHARLOTTE NC 28213	NONE	GOOD	UNC - GREENSBORO TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
BENJAMIN RUIZ 2716 REID MEADOWS DRIVE CHARLOTTE NC 28208	NONE	GOOD	QUEENS UNIV. OF CHARLOTTE TUITION & LAPTOP	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 2,000.
CHRYSHEL MUNDY 1436 PRAIRIE VALLEY DRIVE CHARLOTTE NC 28269	NONE	GOOD	UNC - CHAPEL HILL TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,500.
BREONDA SNEAD 7401 PINE BLUFF CIRCLE CHARLOTTE NC 28214	NONE	GOOD	NC STATE TUITION & BOOKS	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 1,924.
CASSANDRA GONZALES 1615 DEWBERRY TERR., APT. A CHARLOTTE NC 28208	NONE	GOOD	WINSTON SALEM STATE UNIVERSITY TUITION & LAPTOP	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 2,000.
FALON MCKEE 14820 CASTLETOWN HOUSE DRIVE CHARLOTTE NC 28273	NONE	GOOD	NORTH CAROLINA A&T STATE UNIV TUITION & LAPTOP	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 2,000.
GABRIELLE DAVIS 1127 MONA DRIVE CHARLOTTE NC 28206	NONE	GOOD	NORTH CAROLINA A&T STATE UNIV TUITION & LAPTOP	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 2,000.
SHAYE ELLERBE 4131 TULLOCK CREEK DRIVE CHARLOTTE NC 28269	NONE	GOOD	UNC - CHARLOTTE TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.
BROOKE MOORE 1640 CHIPPENDALE RD., APT. 2 CHARLOTTE NC 28205	NONE	GOOD	UNC - GREENSBORO TUITION & LAPTOP	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 2,000.
AMELIA FARRELL 681 HOOT-N-HOLLER WAY WAYNESVILLE NC 28785	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or <input checked="" type="checkbox"/> Business <input type="checkbox"/> 3,000.

Form 990-PF, Page 11, Part XV, line 3a
Line 3a statement

Continued

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox	
				Amount	
a Paid during the year					
JESSICA CLIFFORD 65 ARIANNE DRIVE MAGGIE VALLEY NC 28751	NONE	GOOD	WAKE FOREST UNIV. TUITION & LAPTOP	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 2,000.
ANDREW THOMPSON 415 CRAWFORD ROAD WAYNESVILLE NC 28785	NONE	GOOD	UNC - ASHEVILLE TUITION & LAPTOP	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 2,000.
WHITLEY THOMAS 40 WOLFPEN ROAD WAYNESVILLE NC 28786	NONE	GOOD	WAKE FOREST UNIV. TUITION & LAPTOP	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 2,000.
SAMUEL ROSS 955 ALLEN'S CREEK ROAD WAYNESVILLE NC 28786	NONE	GOOD	UNC - ASHEVILLE TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.
LOGAN KING 34 SUMMERSET DRIVE CLYDE NC 28721	NONE	GOOD	APPALCHIAN STATE UNIV. TUITION & LAPTOP	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 2,000.
TREVOR FISHER P.O. BOX 144 MAGGIE VALLEY NC 28751	NONE	GOOD	UNC - CHARLOTTE TUITION & LAPTOP	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,500.
MARGUERITE LEEK 250 SHELTON STREET WAYNESVILLE NC 28786	NONE	GOOD	UNC - CHAPEL HILL TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 1,500.
JACKSON MONTGOMERY 144 WOODLAND DRIVE WAYNESVILLE NC 28786	NONE	GOOD	UNC - CHARLOTTE TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
MAURA WITTKOP 104 BROADVIEW ROAD WAYNESVILLE NC 28786	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.
BENJAMIN SEARS P.O. BOX 602 CLYDE NC 28721	NONE	GOOD	WESTERN CAROLINA UNIV. TUITION	Person or Business	<input checked="" type="checkbox"/> <input type="checkbox"/> 3,000.

Total

195,337.Form 990-PF, Page 1, Part I
Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BRAGG FINANCIAL ADVISORS, INC.	INVESTMENT ADVISORY FEES	5,110.	5,110.		
BRAGG FINANCIAL ADVISORS, INC.	ADMINISTRATION FEES	14,350.			

Form 990-PF, Page 1, Part I

Continued

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Total		<u>19,460.</u>	<u>5,110.</u>		

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
SEE SCHEDULE	415,235.	415,235.
Total	<u>415,235.</u>	<u>415,235.</u>

Form 990-PF, Page 2, Part II, Line 10c

L- 10c Stmt

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
SEE SCHEDULE -	217,246.	217,246.
Total	<u>217,246.</u>	<u>217,246.</u>

Realized Gains and Losses

Fiscal Year Ending 12/31/2016

Schug Foundation Foundation Account Acct #: 5QR001239
 7013 Erin Court
 Charlotte, NC 28210-4906

Realized Gains and Losses

Description	Quantity	Date Acquired	Date Sold	Cost	Net Proceeds	Short Term Gains	Total Long Gains	Total Gains
Air Products & Chems	50.000	12/03/2003	11/28/2016	2,267.35	7,072.69		4,805.34	4,805.34
American Interl Gr & Inc F2	136.939	11/18/2014	10/20/2016	4,667.51	3,992.25		-675.26	-675.26
American New World F-2	104.793	11/18/2014	11/28/2016	6,199.19	5,392.25		-806.94	-806.94
Amgen Inc	40.000	12/08/2010	06/28/2016	2,131.13	5,924.92		3,793.79	3,793.79
AT&T Inc	100.000	12/03/2003	06/28/2016	2,334.60	4,190.15		1,855.55	1,855.55
Bank Of New York Co	160.000	12/08/2010	11/28/2016	4,560.61	7,497.98		2,937.37	2,937.37
Capital World Bond F-2	218.522	04/28/2010	02/05/2016	4,365.45	4,192.25		-173.20	-173.20
Chubb Corp	50.000	03/06/2009	01/15/2016	1,765.46	6,507.75		4,742.29	4,742.29
Chubb Limited	0.095	01/15/2016	01/15/2016	10.55	10.59	0.04		0.04
Chubb Limited	30.000	01/15/2016	05/12/2016	3,330.60	3,755.06	424.46		424.46
	30.095			3,341.15	3,765.65	424.50		424.50
Cisco Systems Inc	190.000	11/01/2006	06/28/2016	4,633.81	5,276.03		642.22	642.22
Colgate-Palmolive Co	40.000	12/03/2003	11/28/2016	1,069.47	2,650.19		1,580.72	1,580.72
CVS Corp	40.000	07/10/2015	11/28/2016	4,309.75	2,981.38		-1,328.37	-1,328.37
Danaher Corp	55.000	03/03/2008	05/12/2016	2,038.34	5,388.18		3,349.84	3,349.84
Dell Technologies Inc V	0.323	03/06/2009	09/07/2016	15.25	15.48		0.23	0.23
Dell Technologies Inc V	32.000	03/06/2009	10/20/2016	1,510.39	1,515.09		4.70	4.70
	32.323			1,525.64	1,530.57		4.93	4.93
Dodge & Cox Intl Stock	256.563	11/18/2014	06/28/2016	11,437.34	8,592.25		-2,845.09	-2,845.09
Dodge & Cox Intl Stock	131.096	11/18/2014	11/28/2016	5,844.14	4,992.25		-851.89	-851.89
	387.659			17,281.48	13,584.50		-3,696.98	-3,696.98
EMC Corp	290.000	03/06/2009	09/07/2016	1,314.46	6,974.50		5,660.04	5,660.04
Exxon Mobil Corp	45.000	12/03/2003	06/28/2016	1,654.95	4,080.86		2,425.91	2,425.91
Fortive Corp Com	0.500	03/03/2008	07/08/2016	8.79	23.80		15.01	15.01

Realized Gains and Losses
Fiscal Year Ending 12/31/2016

Schug Foundation Foundation Account Acct #. 5QR001239

Realized Gains and Losses

<u>Description</u>	<u>Quantity</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Cost</u>	<u>Net Proceeds</u>	<u>Short Term Gains</u>	<u>Total Long Gains</u>	<u>Total Gains</u>
Fortive Corp Com	27.000	03/03/2008	11/28/2016	474.89	1,494.29		1,019.40	1,019.40
	<u>27.500</u>			<u>483.68</u>	<u>1,518.09</u>		<u>1,034.41</u>	<u>1,034.41</u>
Home Depot Inc	50.000	12/03/2003	11/28/2016	1,807.46	6,525.11		4,717.65	4,717.65
IBM	35.000	09/07/2007	11/28/2016	4,067.75	5,739.89		1,672.14	1,672.14
Minnesota Mining & Minnesota Mining &	5.000	04/04/2002	06/28/2016	286.47	846.18		559.71	559.71
	<u>20.000</u>	<u>12/03/2003</u>	<u>06/28/2016</u>	<u>1,637.60</u>	<u>3,384.72</u>		<u>1,747.12</u>	<u>1,747.12</u>
	<u>25.000</u>			<u>1,924.07</u>	<u>4,230.90</u>		<u>2,306.83</u>	<u>2,306.83</u>
Oracle Corp	135.000	12/03/2003	06/28/2016	1,774.13	5,277.38		3,503.25	3,503.25
Pfizer Inc	145.000	06/26/2001	11/28/2016	6,196.25	4,569.69		-1,626.56	-1,626.56
Pfizer Inc	<u>120.000</u>	<u>12/03/2003</u>	<u>11/28/2016</u>	<u>4,134.10</u>	<u>3,781.80</u>		<u>-352.30</u>	<u>-352.30</u>
	<u>265.000</u>			<u>10,330.35</u>	<u>8,351.49</u>		<u>-1,978.86</u>	<u>-1,978.86</u>
Progressive Corp Of	130.000	03/06/2009	06/28/2016	1,343.21	4,144.35		2,801.14	2,801.14
Queens Road Small Val	250.926	03/06/2009	06/28/2016	2,356.71	6,092.25		3,735.54	3,735.54
Queens Road Small Val	558.208	03/06/2009	11/28/2016	5,242.73	15,192.25		9,949.52	9,949.52
	<u>809.134</u>			<u>7,599.44</u>	<u>21,284.50</u>		<u>13,685.06</u>	<u>13,685.06</u>
Southern Co	80.000	03/06/2009	06/28/2016	2,248.84	4,171.35		1,922.51	1,922.51
T R Price Mid Cap Growth	74.886	08/07/2001	06/28/2016	2,875.89	5,392.25		2,516.36	2,516.36
T R Price Mid Cap Value	29.587	05/12/2003	11/28/2016	464.61	896.43		431.82	431.82
T R Price Mid Cap Value	<u>214.396</u>	<u>12/03/2003</u>	<u>11/28/2016</u>	<u>4,274.39</u>	<u>6,495.82</u>		<u>2,221.43</u>	<u>2,221.43</u>
	<u>243.983</u>			<u>4,739.00</u>	<u>7,392.25</u>		<u>2,653.25</u>	<u>2,653.25</u>
Vanguard GNMA	399.257	04/28/2010	02/05/2016	4,285.31	4,292.25		6.94	6.94
Vanguard GNMA	552.995	04/28/2010	06/28/2016	5,935.42	5,992.25		56.83	56.83
	<u>952.252</u>			<u>10,220.73</u>	<u>10,284.50</u>		<u>63.77</u>	<u>63.77</u>
Vanguard Inflation	282.432	12/05/2003	11/28/2016	6,933.16	7,439.95		506.79	506.79
Vanguard Inflation	<u>742.236</u>	<u>03/06/2009</u>	<u>11/28/2016</u>	<u>16,719.51</u>	<u>19,552.30</u>		<u>2,832.79</u>	<u>2,832.79</u>
	<u>1,024.668</u>			<u>23,652.67</u>	<u>26,992.25</u>		<u>3,339.58</u>	<u>3,339.58</u>
Vanguard Interm-Trm Corp	2,182.540	03/06/2009	06/28/2016	18,428.93	21,992.25		3,563.32	3,563.32
Vanguard REIT ETF	50.000	03/25/2014	06/28/2016	3,502.50	4,323.15		820.65	820.65
Vanguard Short-Term	2,170.806	03/06/2009	05/12/2016	21,063.59	23,263.49		2,199.90	2,199.90

Realized Gains and Losses
Fiscal Year Ending 12/31/2016

Schug Foundation Foundation Account Acct #: 5QR001239

Realized Gains and Losses

<u>Description</u>	<u>Quantity</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Cost</u>	<u>Net Proceeds</u>	<u>Short Term Gains</u>	<u>Total Long Gains</u>	<u>Total Gains</u>
Vanguard Short-Term	58.672	03/25/2014	05/12/2016	628.49	628.76		0.27	0.27
	2,229.478			21,692.08	23,892.25		2,200.17	2,200.17
Vanguard Short-Term	1,392.758	03/25/2014	06/28/2016	14,919.02	14,992.25		73.23	73.23
Vanguard Short-Term	835.655	03/25/2014	10/20/2016	8,951.41	8,992.25		40.84	40.84
	4,457.891			45,562.51	47,876.75		2,314.24	2,314.24
Vanguard Short-Term	514.033	04/01/2013	11/28/2016	5,548.91	5,509.28		-39.63	-39.63
Vanguard Short-Term	119.704	08/01/2013	11/28/2016	1,281.08	1,282.97		1.89	1.89
	633.737			6,829.99	6,792.25		-37.74	-37.74
Vanguard Small Cap Growth E	10.000	09/07/2007	05/12/2016	712.54	1,184.69		472.15	472.15
Vanguard Small Cap Growth E	30.000	12/08/2010	05/12/2016	2,295.41	3,554.09		1,258.68	1,258.68
	40.000			3,007.95	4,738.78		1,730.83	1,730.83
Versum Matls Inc	25.000	12/03/2003	10/20/2016	212.79	591.48		378.69	378.69
Short Term Gains				3,341.15	3,765.65	424.50		
Total Long Gains				212,731.09	284,855.42		72,124.33	
Total (Sales)				216,072.24	288,621.07	424.50	72,124.33	72,548.83
Total Gains						424.50	72,124.33	72,548.83

Portfolio Holdings

As of 12/31/2016

12/30/2016 Prices

Schug Foundation Foundation Account Acct # 5QR001239
 7013 Erin Court
 Charlotte, NC 28210-4906

Description	Symbol	Quantity	Trade Date	Current Value	Cost Basis	Unrealized Gain (Loss)	% G/L	Maturity Date
US Large Cap TECHNOLOGY								
Alphabet CL C	GOOG	8	02/05/2016	6,174.56	5,465.11	709	13.0%	
Apple Computer Inc	AAPL	100	06/26/2014	11,582.00	9,090.00	2,492	27.4%	
Cisco Systems Inc	CSCO	200	11/01/2006	6,044.00	4,877.69	1,166	23.9%	
IBM	IBM	35	09/07/2007	5,809.65	4,067.74	1,742	42.8%	
Intel Corp	INTC	250	03/06/2009	9,067.50	3,052.61	6,015	197.0%	
Microsoft Corp	MSFT	150	12/03/2003	9,321.00	3,923.00	5,398	137.6%	
Oracle Corp	ORCL	135	12/03/2003	5,190.75	1,774.12	3,417	192.6%	
Texas Instruments	TXN	100	12/08/2010	7,297.00	3,330.48	3,967	119.1%	
				60,486.46	35,580.75	24,906	70.0%	
FINANCIAL								
American Express	AXP	130	10/14/2008	9,630.40	3,800.52	5,830	153.4%	
Price T Rowe Group Inc	TROW	140	11/24/2004	10,536.40	4,163.20	6,373	153.1%	
Progressive Corp Of	PGR	195	03/06/2009	6,922.50	2,014.82	4,908	243.6%	
Wells Fargo & Co	WFC	190	12/03/2003	10,470.90	5,412.68	5,058	93.5%	
				37,560.20	15,391.22	22,169	144.0%	
HEALTH CARE								
Amgen Inc	AMGN	40	12/08/2010	5,848.40	2,131.12	3,717	174.4%	
Becton Dickinson & Danaher Corp	BDX	60	12/03/2003	9,933.00	2,432.55	7,500	308.3%	
Danaher Corp	DHR	55	03/03/2008	4,281.20	1,554.65	2,727	175.4%	
Johnson & Johnson	JNJ	99	08/07/2001	11,405.79	4,995.11	6,411	128.3%	
Merck & Co Inc	MRK	85	06/26/2001	5,003.95	5,430.69	(427)	-7.9%	
Unitedhealth Group	UNH	50	07/10/2015	8,002.00	6,122.25	1,880	30.7%	
				44,474.34	22,666.37	21,808	96.2%	
CONS STAPLES								
Nestle Sa Sponsored	NSRGY	100	05/07/2015	7,174.00	7,738.75	(565)	-7.3%	
Procter & Gamble Co	PG	160	12/03/2003	13,452.80	7,781.70	5,671	72.9%	
Wal Mart Stores Inc	WMT	105	03/06/2009	7,257.60	5,168.51	2,089	40.4%	
				27,884.40	20,688.96	7,195	34.8%	
CONS CYCLICALS								
Home Depot Inc	HD	45	12/03/2003	6,033.60	1,626.72	4,407	270.9%	
McDonald's Corp	MCD	75	12/03/2003	9,129.00	1,998.59	7,130	356.8%	
Tjx Companies Inc	TJX	100	12/08/2010	7,513.00	2,239.55	5,273	235.5%	
Twenty-First Centy Fox Inc Cl A	FOXA	350	02/01/2006	9,814.00	4,907.65	4,906	100.0%	
				32,489.60	10,772.51	21,717	201.6%	
INDUSTRIALS								
General Electric Co	GE	170	12/03/2003	5,372.00	5,039.22	333	6.6%	
Minnesota Mining & United Technologies	MMM	30	12/03/2003	5,357.10	2,456.40	2,901	118.1%	
	UTX	85	03/06/2009	9,317.70	3,236.96	6,081	187.9%	
				20,046.80	10,732.58	9,314	86.8%	

Portfolio Holdings

As of 12/31/2016

12/30/2016 Prices

Schug Foundation Foundation Account Acct # 5QR001239

Description	Symbol	Quantity	Trade Date	Current Value	Cost Basis	Unrealized Gain (Loss)	% G/L	Maturity Date
US Large Cap COMMUNICATIONS								
Verizon	VZ	140	03/06/2009	7,473.20	3,530.53	3,943	111.7%	
ENERGY								
Chevrontexaco Corp	CVX	61	12/03/2003	7,179.70	2,351.81	4,828	205.3%	
Conocophillips	COP	160	11/01/2006	8,022.40	9,162.38	(1,140)	-12.4%	
Exxon Mobil Corp	XOM	75	12/03/2003	6,769.50	2,758.25	4,011	145.4%	
				21,971.60	14,272.44	7,699	53.9%	
UTILITIES								
Exelon Corp Com	EXC	185	12/03/2003	6,565.65	7,392.34	(827)	-11.2%	
Southern Co	SO	115	03/06/2009	5,656.85	3,232.71	2,424	75.0%	
				12,222.50	10,625.05	1,597	15.0%	
BASIC MATERIALS								
Dow Chem Co	DOW	155	03/06/2009	8,869.10	1,017.98	7,851	771.2%	
REIT								
Vanguard REIT ETF	VNQ	50	03/25/2014	4,126.50	3,502.50	624	17.8%	
				277,604.70	148,780.89	128,824	86.6%	
US Mid Cap GROWTH MUTUAL FUND								
T R Price Mid Cap Growth	RPMGX	130.071	08/07/2001	9,803.45	4,995.19	4,808	96.3%	
VALUE MUTUAL FUND								
T R Price Mid Cap Value	TRMCX	465.454	12/03/2003	13,526.09	9,946.86	3,579	36.0%	
				23,329.54	14,942.05	8,387	56.1%	
US Small Cap GROWTH MUTUAL FUND								
Vanguard Explorer Admiral	VEXRX	121.402	12/03/2003	9,760.72	7,311.89	2,449	33.5%	
Vanguard Small Cap Growth ETF	VBK	55	12/08/2010	7,322.70	4,208.24	3,114	74.0%	
				17,083.42	11,520.13	5,563	48.3%	
VALUE MUTUAL FUND								
Queens Road Small Val	QRSVX	1,358.402	03/06/2009	35,562.96	23,542.45	12,021	51.1%	
				52,646.38	35,062.58	17,584	50.1%	
Foreign Equities								
DIVERSIFIED MUTUAL FUND								
American New World F-2	NFFFX	333.171	11/18/2014	17,095.00	18,917.56	(1,823)	-9.6%	
GROWTH MUTUAL FUND								
Dodge & Cox Intl Stock	DODFX	563.984	11/18/2014	21,487.79	21,743.02	(255)	-1.2%	

Portfolio Holdings

As of 12/31/2016
12/30/2016 Prices

Schug Foundation Foundation Account Acct # 5QR001239

Description	Symbol	Quantity	Trade Date	Current Value	Cost Basis	Unrealized Gain (Loss)	% G/L	Maturity Date
Foreign Equities								
VALUE MUTUAL FUND								
American Interl Gr & Inc F2	IGFFX	814.947	11/18/2014	23,071.15	27,149.24	(4,078)	-15.0%	
				61,653.94	67,809.82	(6,156)	-9.1%	
Taxable Fixed Incm								
Inflation Protected Securities								
Vanguard Inflation	VAIPX	367.999	03/06/2009	9,376.61	8,289.49	1,087	13.1%	
US TREASURY/AGENCY								
Vanguard GNMA Fund	VFIJX	1,525.876	04/28/2010	16,082.73	16,377.56	(295)	-1.8%	
Vanguard Int-Term Treasury	VFIUX	1,446.416	05/08/2012	16,040.75	16,931.08	(890)	-5.3%	
Vanguard S-T Treasury Adm	VFIRX	1,009.346	06/26/2014	10,739.44	10,809.00	(70)	-0.6%	
Vanguard Short-Term	VSGDX	628.659	08/01/2013	6,720.36	6,727.92	(8)	-0.1%	
				49,583.28	50,845.56	(1,262)	-2.5%	
HIGH GRADE CORPORATE BOND								
Capital World Bond F-2	BFWFX	1,134.269	04/28/2010	21,471.71	22,967.96	(1,496)	-6.5%	
Vanguard Inter Corp Admr	VFIDX	8,744.751	03/06/2009	84,299.40	88,034.36	(3,735)	-4.2%	
Vanguard Short-Term	VFSUX	2,568.19	03/25/2014	27,299.86	27,510.08	(210)	-0.8%	
				133,070.97	138,512.40	(5,441)	-3.9%	
HIGH YIELD BOND								
Vanguard High Yield	VWEAX	4,325.048	11/01/2006	25,215.03	26,084.05	(869)	-3.3%	
				217,245.89	223,731.50	(6,486)	-2.9%	
Cash Equivalents								
MONEY MARKET								
CASH	CASH			117,613.54	117,613.54			
				750,093.99	607,940.38	142,154	23.4%	

Bonds

① Stock \$ 415,234.56

Cash 117,613.54
ols Checks (38,500.00)

Cash balance @ 12/31/16 79,113.54