Form 990-PF | Department of the Treasury Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf*

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning , 2016, and ending , 20

Name of foundation: C A CANNON CHAR TRUST NO. 3

A Employer identification number: 58-1360259

Number and street (or P O box number if mail is not delivered to street address): 1525 W W.T. HARRIS BLVD. D1114-044 | Room/suite

B Telephone number (see instructions): 855-834-0350

City or town, state or province, country, and ZIP or foreign postal code: CHARLOTTE, NC 28262

C If exemption application is pending, check here ▶ [ ]

G Check all that apply: [ ] Initial return [ ] Initial return of a former public charity [ ] Final return [ ] Amended return [X] Address change [ ] Name change

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

H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 18,762,495.

J Accounting method [X] Cash [ ] Accrual [ ] Other (specify) *(Part I, column (d) must be on cash basis.)*

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

Part I Analysis of Revenue and Expenses *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue 1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check ▶ [X] if the foundation is **not** required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	342,100.	337,876.		STMT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	473,846.			
b	Gross sales price for all assets on line 6a 2,388,564.				
7	Capital gain net income (from Part IV, line 2)		473,846.		
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)	1,432.			STMT 6
12	**Total.** Add lines 1 through 11	817,378.	811,722.		
Operating and Administrative Expenses 13	Compensation of officers, directors, trustees, etc	140,892.	105,669.		35,223.
14	Other employee salaries and wages		NONE	NONE	
15	Pension plans, employee benefits		NONE	NONE	
16a	Legal fees (attach schedule) STMT 7	8,040.	NONE	NONE	8,040.
b	Accounting fees (attach schedule) STMT 8	1,600.	NONE	NONE	1,600.
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) STMT 9	60,758.	6,376.		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings		NONE	NONE	
22	Printing and publications		NONE	NONE	
23	Other expenses (attach schedule) STMT 10	15,406.	150.		15,256.
24	**Total operating and administrative expenses.** Add lines 13 through 23	226,696.	112,195.	NONE	60,119.
25	Contributions, gifts, grants paid	756,663.			756,663.
26	**Total expenses and disbursements.** Add lines 24 and 25	983,359.	112,195.	NONE	816,782.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-165,981.			
b	**Net investment income** (if negative, enter -0-)		699,527.		
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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	552.		
	2 Savings and temporary cash investments	268,877.	212,564.	212,564.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less. allowance for doubtful accounts ▶ NONE			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S. and state government obligations (attach schedule) STMT 11	1,278,614.	1,377,709.	1,373,110.
	b Investments - corporate stock (attach schedule) STMT 13	9,778,569.	9,611,755.	15,657,969.
	c Investments - corporate bonds (attach schedule) STMT 15	1,427,773.	1,393,171.	1,392,825.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule) STMT 18	133,076.	126,366.	126,027.
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	12,887,461.	12,721,565.	18,762,495.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)		NONE	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here** ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	27 Capital stock, trust principal, or current funds	12,887,461.	12,721,565.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see instructions)	12,887,461.	12,721,565.	
	31 **Total liabilities and net assets/fund balances** (see instructions)	12,887,461.	12,721,565.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	12,887,461.
2	Enter amount from Part I, line 27a	2	-165,981.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 19	3	3,657.
4	Add lines 1, 2, and 3	4	12,725,137.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 20	5	3,572.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	12,721,565.

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)
1 a	PUBLICLY TRADED SECURITIES			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	2,388,564.		1,914,718.	473,846.
b				
c				
d				
e				

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

	(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	(l) Gains (Col (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				473,846.
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } 2 473,846.

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))
2015	762,597.	20,403,020.	0.037377
2014	696,342.	19,434,002.	0.035831
2013	700,016.	19,326,613.	0.036220
2012	NONE	NONE	NONE
2011	NONE	NONE	NONE

2	**Total** of line 1, column (d) . . .	2	0.109428
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	0.021886
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5 . . .	4	17,960,636.
5	Multiply line 4 by line 3. . .	5	393,086.
6	Enter 1% of net investment income (1% of Part I, line 27b) . . .	6	6,995.
7	Add lines 5 and 6 . . .	7	400,081.
8	Enter qualifying distributions from Part XII, line 4 . . .	8	816,782.

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)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	6,995.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	6,995.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	NONE
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	6,995.
6	Credits/Payments:		
a	2016 estimated tax payments and 2015 overpayment credited to 2016 — 6a: 60,526.		
b	Exempt foreign organizations - tax withheld at source — 6b: NONE		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: NONE		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	60,526.
8	Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	53,531.
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 6,996. **Refunded** ▶	11	46,535.

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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		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*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NC			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	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)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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

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

Website address ▶ N/A

14 The books are in care of ▶ WELLS FARGO BANK NA Telephone no ▶ (855)834-0350

Located at ▶ 100 N MAIN ST FL6 D4001-065, CHARLOTTE, NC ZIP+4 ▶ 28288

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

			Yes	No
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?	16		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
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ______ , ______ , ______ , ______			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	2b		X
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______ , ______ , ______ , ______			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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)*	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 2016?	4b		X

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

		Yes	No
5a	During the year did the foundation pay or incur any amount to		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b**		
	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)		
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**		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? **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
SEE STATEMENT 21		140,892.		

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		NONE	NONE	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		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 NONE	
2	
3	
4	

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

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

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	18,023,201.
b	Average of monthly cash balances	1b	210,947.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	**Total** (add lines 1a, b, and c)	1d	18,234,148.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	18,234,148.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	273,512.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	17,960,636.
6	**Minimum investment return.** Enter 5% of line 5	6	898,032.

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	898,032.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	6,995.		
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	6,995.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	891,037.
4	Recoveries of amounts treated as qualifying distributions			4	NONE
5	Add lines 3 and 4			5	891,037.
6	Deduction from distributable amount (see instructions)			6	NONE
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	891,037.

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	816,782.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	816,782.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	6,995.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	809,787.

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					891,037.
2 Undistributed income, if any, as of the end of 2016					
a Enter amount for 2015 only				752,908.	
b Total for prior years 20 14 ,20 ___ ,20 ___			NONE		
3 Excess distributions carryover, if any, to 2016					
a From 2011	NONE				
b From 2012	NONE				
c From 2013	NONE				
d From 2014	NONE				
e From 2015	NONE				
f **Total** of lines 3a through e		NONE			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 816,782.					
a Applied to 2015, but not more than line 2a				752,908.	
b Applied to undistributed income of prior years (Election required - see instructions)			NONE		
c Treated as distributions out of corpus (Election required - see instructions)		NONE			
d Applied to 2016 distributable amount					63,874.
e Remaining amount distributed out of corpus		NONE			
5 Excess distributions carryover applied to 2016 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		NONE			NONE
6 **Enter the net total of each column as indicated below:**					
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5		NONE			
b Prior years' undistributed income. Subtract line 4b from line 2b			NONE		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			NONE		
d Subtract line 6c from line 6b. Taxable amount - see instructions			NONE		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instructions					
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017					827,163.
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)		NONE			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)		NONE			
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a		NONE			
10 Analysis of line 9					
a Excess from 2012	NONE				
b Excess from 2013	NONE				
c Excess from 2014	NONE				
d Excess from 2015	NONE				
e Excess from 2016	NONE				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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)

	Tax year	Prior 3 years			
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	(e) Total
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 ▶ [X] 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

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

c Any submission deadlines:

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

Part XV Supplementary Information *(continued)*

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
LEES-MCRAE COLLEGE INC. 375 COLLEGE DR. Banner Elk NC 28604	NONE	PC	TATE RESIDENCE HALL RENOVATION	17,000.
DAVIDSON COLLEGE P O BOX 7162 DAVIDSON NC 28035	NONE	PC	GENERAL	115,000.
QUEENS UNIVERSITY 1900 SELWYN AVENUE CHARLOTTE NC 28274	NONE	PC	GENERAL	169,000.
CATAWBA COLLEGE 2300 W INNES ST SALISBURY NC 28144	NONE	PC	RALPH KETNER SERVICE HONOR	12,000.
DUKE UNIVERSITY SCHOOL OF LAW P O BOX 90362 DURHAM NC 27708	NONE	PC	GENERAL	303,663.
CONVERSE COLLEGE 580 EAST MAIN ST Spartanburg SC 29302	NONE	PC	MICKEL LIBRARY ENHANCEMENTS	140,000.
Total ▶ 3a				756,663.
b *Approved for future payment*				
Total ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	342,100.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	473,846.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b UST REFUND			4	1,432.	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				817,378.	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 817,378.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions.)
	NOT APPLICABLE

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

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

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

S.V.P

Wells Fargo Bank, N.A. | 04/18/2017 | Co -Trustee

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

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

DESCRIPTION			REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
			8.	8.
AFLAC INC	3.625%	11/15/24	1,269.	1,269.
AT&T INC	5.600%	5/15/18	1,960.	1,960.
AT&T INC	3.400%	5/15/25	404.	404.
AT&T INC	2.400%	3/15/17	115.	115.
ACE INA HOLDING	5.700%	2/15/17	399.	399.
AMERICAN EXPRESS CO			5,355.	5,355.
AMERICAN EXPRESS CRE	2.800%	9/19/16	700.	700.
AMERICAN TOWER CORP			9,765.	9,765.
AMGEN INC	4.100%	6/15/21	615.	615.
ANHEUSER-BUSCH INBEV	2.150%	2/01/19	968.	968.
APPLE INC			10,318.	10,318.
APPLE INC	2.400%	5/03/23	818.	818.
ASSOC BANC-CORP	2.750%	11/15/19	825.	825.
ASSURANT INC	2.500%	3/15/18	500.	500.
BHP BILLITON FIN USA	6.500%	4/01/19	325.	325.
BHP BILLITON FIN USA	3.250%	11/21/21	813.	813.
BP CAPITAL MARKETS	1.375%	11/06/17	619.	619.
BANK OF NY MELLON CO	2.500%	4/15/21	46.	46.
BARCLAYS BANK PLC	5.000%	9/22/16	1,750.	1,750.
BEAR STEARNS MTG	6.750%	5/02/30	1.	1.
BERKSHIRE HATHAWAY	3.125%	3/15/26	289.	289.
BURLINGTN NORTH SANT	4.700%	10/01/19	940.	940.
CME GROUP INC	3.000%	3/15/25	900.	900.
CVS HEALTH CORPORATION			9,690.	9,690.
CVS CAREMARK CORP	5.750%	6/01/17	144.	144.
CATERPILLAR FINANCIA	7.150%	2/15/19	715.	715.
CELGENE CORP	2.300%	8/15/18	690.	690.
CHICAGO BRIDGE & IRON COMPANY N.V.			1,155.	1,155.
CISCO SYSTEMS INC	4.950%	2/15/19	990.	990.
COCA-COLA CO/THE	1.800%	9/01/16	180.	180.
COLUMBUS SOUTHERN PO	6.050%	5/01/18	605.	605.

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
COMCAST CORP CLASS A	10,725.	10,725.
COMCAST CORP 5.150% 3/01/20	773.	773.
CONAGRA FOODS INC 1.900% 1/25/18	238.	238.
CONSOLIDATED EDISON 5.300% 12/01/16	534.	534.
DEUTSCHE BANK AG LON 2.500% 2/13/19	750.	750.
DEVON ENERGY CORPORATION	1,680.	1,680.
DIAGEO PLC - ADR	7,791.	7,791.
DIAGEO CAPITAL PLC 1.500% 5/11/17	300.	300.
DIRECTV HOLDINGS/FIN 2.400% 3/15/17	300.	300.
WALT DISNEY COMPANY/ 1.100% 12/01/17	220.	220.
DISCOVERY COMMUNICAT 5.050% 6/01/20	1,010.	1,010.
DODGE & COX INT'L STOCK FD #1048	21,675.	21,675.
DOMINION RESOURCES 6.400% 6/15/18	1,282.	1,282.
DOW CHEMICAL CO/THE 4.250% 11/15/20	553.	553.
DR PEPPER SNAPPLE GR 2.900% 1/15/16	145.	145.
DR PEPPER SNAPPLE GR 2.000% 1/15/20	146.	146.
EXPRESS SCRIPTS HOLD 3.900% 2/15/22	975.	975.
EXXON MOBIL CORPORATION	10,430.	10,430.
FHLMC POOL #J15186 4.000% 4/01/26	504.	504.
FHLMC POOL #E02909 5.000% 6/01/26	379.	379.
FED HOME LN BK 4.750% 12/16/16	475.	475.
FED NATL MTG ASSN 0.875% 8/28/17	131.	131.
FED NATL MTG ASSN 1.875% 9/18/18	1,406.	1,406.
FED NATL MTG ASSN 2.625% 9/06/24	525.	525.
FED NATL MTG ASSN 2.250% 12/25/40	680.	680.
FED HOME LN MTG CORP 3.750% 3/27/19	750.	750.
FED HOME LN MTG CORP 2.375% 1/13/22	823.	823.
FED HOME LN MTG CORP 1.750% 5/30/19	525.	525.
FED HOME LN MTG CORP 1.000% 9/29/17	750.	750.
FNMA POOL #AO5472 3.500% 7/01/42	1,032.	1,032.
FED NATL MTG ASSN 5.375% 6/12/17	1,075.	1,075.
FNMA POOL #890379 5.000% 12/01/20	192.	192.
FEDEX CORPORATION	3,125.	3,125.

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FORD CREDIT FLOORPLA 1.920% 1/15/19	576.	576.
FORD MOTOR CREDIT CO 3.096% 5/04/23	413.	413.
GENERAL ELECTRIC CO	9,430.	9,430.
GENERAL ELEC CAP COR 5.625% 5/01/18	563.	563.
GENERAL ELEC CAP COR 1.600% 11/20/17	320.	320.
GEORGIA POWER COMPAN 5.400% 6/01/18	1,080.	1,080.
GOLDMAN SACHS GROUP 3.500% 1/23/25	1,050.	1,050.
GULF POWER CO 5.300% 12/01/16	795.	795.
HCP INC 3.875% 8/15/24	710.	710.
HSBC HOLDINGS PLC 4.875% 1/14/22	850.	850.
HONEYWELL INTERNATIO 5.000% 2/15/19	1,514.	1,514.
ILLINOIS ST 5.877% 3/01/19	1,237.	1,237.
INTEL CORP 3.300% 10/01/21	660.	660.
JPMORGAN CHASE & CO	12,880.	12,880.
JPMORGAN CHASE & CO 6.300% 4/23/19	1,685.	1,685.
JPMORGAN CHASE & CO 3.300% 4/01/26	47.	47.
JACKSONVILLE FL SPL 1.414% 10/01/17	495.	495.
JOHNSON & JOHNSON	9,425.	9,425.
KROGER CO. 6.400% 8/15/17	320.	320.
LAZARD EMERGING MKTS PTFL #638	10,786.	10,786.
LLOYDS BANK PLC 2.350% 9/05/19	644.	644.
LLOYDS BANK PLC 4.875% 1/21/16	853.	853.
GCB LLOYDS TSB BK PL 6.375% 1/21/21	1,913.	1,913.
LOEWS CORP	1,250.	1,250.
LORILLARD TOBACCO CO 2.300% 8/21/17	575.	575.
MAGELLAN MIDSTREAM 4.250% 2/01/21	1,275.	1,275.
MAXIM INTEGRATED PRO 3.375% 3/15/23	1,181.	1,181.
METLIFE INC	8,663.	8,663.
MICROSOFT CORP	13,965.	13,965.
NESTLE S.A. REGISTERED SHARES - ADR	9,047.	9,047.
NEVADA POWER CO 6.500% 8/01/18	650.	650.
NORFOLK SOUTHERN COR 5.750% 4/01/18	288.	288.
NORTHERN TRUST CORP 3.375% 8/23/21	338.	338.

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

DESCRIPTION			REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
PBF ENERGY INC			12,900.	12,900.
PNC FUNDING CORP	3.300%	3/08/22	990.	990.
PRECISION CASTPARTS CORP			48.	48.
QUALCOMM INC			10,830.	10,830.
ROYAL BANK OF CANADA	2.875%	4/19/16	431.	431.
ROYAL BANK OF CANADA	1.625%	4/15/19	195.	195.
SANTANDER BANK NA	2.000%	1/12/18	600.	600.
CHARLES SCHWAB CORP	4.450%	7/22/20	1,113.	1,113.
TD AMERITRADE HOLDIN	5.600%	12/01/19	1,120.	1,120.
TEXAS INSTRUMENTS IN	2.250%	5/01/23	450.	450.
THERMO FISHER SCIENTIFIC INC			2,370.	2,370.
TIME WARNER CABLE IN	6.750%	7/01/18	1,658.	1,658.
TORONTO-DOMINION BAN	2.125%	4/07/21	18.	18.
TRANS-CANADA PIPELIN	7.125%	1/15/19	356.	356.
TRANSDIGM GROUP INC			26,400.	22,176.
TWENTY-FIRST CENTURY FOX INC			4,950.	4,950.
UNION PACIFIC CORP			9,020.	9,020.
US BANCORP	2.200%	4/25/19	660.	660.
US TREASURY NOTE	2.375%	8/15/24	950.	950.
US TREASURY NOTE	2.000%	2/15/25	2,200.	2,200.
US TREASURY NOTE	1.375%	2/29/20	413.	413.
US TREASURY NOTE	3.125%	5/15/19	3,714.	3,714.
US TREASURY NOTE	2.625%	8/15/20	1,744.	1,744.
US TREASURY NOTE	1.625%	2/15/26	391.	391.
US TREASURY NOTE	1.625%	5/15/26	349.	349.
US TREASURY NOTE	0.875%	5/31/18	14.	14.
US TREASURY NOTE	2.125%	8/15/21	1,511.	1,511.
US TREASURY NOTE	2.000%	11/15/21	1,700.	1,700.
US TREASURY NOTE	2.000%	2/15/22	800.	800.
US TREASURY NOTE	1.625%	11/15/22	975.	975.
US TREASURY NOTE	0.750%	12/31/17	457.	457.
US TREASURY NOTE	2.000%	2/15/23	500.	500.
US TREASURY NOTE	1.750%	5/15/23	350.	350.

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
US TREASURY NOTE 2.750% 11/15/23	688.	688.
US TREASURY NOTE 2.500% 5/15/24	875.	875.
VERIZON COMMUNICATIO 3.500% 11/01/24	1,050.	1,050.
VIACOM INC 2.200% 4/01/19	10.	10.
VISA INC-CLASS A SHRS	5,128.	5,128.
WALGREEN CO 3.100% 9/15/22	310.	310.
WELLS FARGO & CO	15,832.	15,832.
WESTPAC BANKING CORP 4.875% 11/19/19	1,463.	1,463.
WORLD FINANCIAL NETW 1.610% 12/15/21	1,127.	1,127.
YUM BRANDS INC	3,780.	3,780.
FEDERATED TREAS OBL FD 68	412.	412.
TOTAL	342,100.	337,876.

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS
UST REFUND		1,432.
	TOTALS	1,432.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
NON-ALLOCABLE LEGAL FEES	8,040.			8,040.
TOTALS	8,040.	NONE	NONE	8,040.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEE (NON-ALLOC	1,600.			1,600.
TOTALS	1,600.	NONE	NONE	1,600.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES	3,226.	3,226.
FEDERAL ESTIMATES - PRINCIPAL	54,382.	
FOREIGN TAXES ON QUALIFIED FOR	3,150.	3,150.
TOTALS	60,758.	6,376.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
CANNON FDN SHARED EXPENSE	8,997.		8,997.
CANNON DOCUMENTARY	6,259.		6,259.
ADR FEES	150.	150.	
TOTALS	15,406.	150.	15,256.

C A CANNON CHAR TRUST NO. 3 58-1360259

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

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
3128PUXP2 FHLMC POOL #J15186	14,899.	11,246.	11,249.
31294MGS4 FHLMC POOL #E02909	8,501.	7,828.	7,457.
3133XHZK1 FED HOME LN BK	10,822.		
3135G0MZ3 FED NATL MTG ASSN	14,925.	14,925.	15,010.
3135G0YM9 FED NATL MTG ASSN	75,805.	75,805.	75,869.
3137EACA5 FED HOME LN MTG CORP	19,703.	19,703.	21,069.
3137EADB2 FED HOME LN MTG CORP	25,932.	52,045.	50,821.
3138LWCJ8 FNMA POOL #AO5472	33,940.	27,782.	26,762.
31398ADM1 FED NATL MTG ASSN	22,463.	22,463.	20,410.
31410LFU1 FNMA POOL #890379	5,206.	3,003.	2,853.
452152HU8 ILLINOIS ST	33,635.	16,817.	15,896.
469487GQ9 JACKSONVILLE FL SPL	35,000.	35,000.	35,014.
912828KQ2 US TREASURY NOTE	134,759.	82,512.	88,623.
912828NT3 US TREASURY NOTE	88,205.	88,214.	87,888.
912828RC6 US TREASURY NOTE	90,302.	116,122.	116,091.
912828RR3 US TREASURY NOTE	84,942.	84,942.	85,235.
912828SF8 US TREASURY NOTE	40,039.	65,691.	65,101.
912828TY6 US TREASURY NOTE	58,008.	58,008.	58,392.
912828UN8 US TREASURY NOTE	25,213.	25,213.	24,794.
912828VB3 US TREASURY NOTE	18,544.	18,544.	19,480.
3137EADG1 FED HOME LN MTG CORP	30,165.	30,165.	30,283.
3137EADL0 FED HOME LN MTG CORP	74,866.	74,866.	75,073.
912828D56 US TREASURY NOTE	39,392.	65,421.	65,302.
912828UE8 US TREASURY NOTE	79,251.		
912828WE6 US TREASURY NOTE	24,972.	24,972.	25,824.
912828WJ5 US TREASURY NOTE	34,938.	34,938.	35,524.
3135G0ZR7 FED NATL MTG ASSN	20,235.	30,212.	30,290.
912828J27 US TREASURY NOTE	104,103.	74,054.	72,996.
912828J50 US TREASURY NOTE	29,849.	29,849.	29,857.

C A CANNON CHAR TRUST NO. 3 58-1360259

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

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
912828P46 US TREASURY NOTE		77,111.	74,750.
912828R36 US TREASURY NOTE		70,278.	65,275.
912828R51 US TREASURY NOTE		39,980.	39,922.
TOTALS	1,278,614.	1,377,709.	1,373,110.

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
025816109 AMERICAN EXPRESS CO	174,497.	174,497.	333,360.
03027X100 AMERICAN TOWER CORP	182,950.	182,950.	475,560.
037833100 APPLE INC	248,981.	263,077.	544,354.
084670108 BERKSHIRE HATHAWAY I	401,060.	401,060.	976,484.
126650100 CVS HEALTH CORPORATI	207,342.	186,291.	426,114.
167250109 CHICAGO BRIDGE & IRO	306,645.	306,645.	174,625.
20030N101 COMCAST CORP CLASS A	169,170.	136,452.	621,450.
25243Q205 DIAGEO PLC - ADR	157,850.	157,850.	259,850.
256206103 DODGE & COX INT'L ST	724,929.	724,929.	918,614.
30219G108 EXPRESS SCRIPTS HOLD	276,213.	319,294.	392,103.
30231G102 EXXON MOBIL CORPORAT	141,416.	141,416.	315,910.
31428X106 FEDEX CORPORATION	101,300.	170,135.	465,500.
369604103 GENERAL ELECTRIC CO	162,025.	100,803.	268,600.
46625H100 JPMORGAN CHASE & CO	158,227.	158,227.	604,030.
478160104 JOHNSON & JOHNSON	248,855.	152,375.	288,025.
52106N889 LAZARD EMERGING MKTS	655,000.	655,000.	593,286.
540424108 LOEWS CORP	192,172.	192,172.	234,150.
59156R108 METLIFE INC	175,724.	175,724.	296,395.
594918104 MICROSOFT CORP	220,695.	220,695.	590,330.
641069406 NESTLE S.A. REGISTER	165,378.	165,378.	279,786.
747525103 QUALCOMM INC	217,958.	160,955.	293,400.
883556102 THERMO FISHER SCIENT	228,918.	211,656.	536,180.
90130A200 TWENTY-FIRST CENTURY	308,041.	308,041.	408,750.
907818108 UNION PACIFIC CORP	149,608.	149,608.	414,720.
92826C839 VISA INC-CLASS A SHR	169,109.	139,316.	624,160.
949746101 WELLS FARGO & CO	255,180.	255,180.	575,900.
988498101 YUM BRANDS INC	68,314.	47,717.	126,660.
192446102 COGNIZANT TECH SOLUT	291,762.	291,762.	364,195.
194014106 COLFAX CORPORATION	264,096.		

C A CANNON CHAR TRUST NO. 3 58-1360259

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
25179M103 DEVON ENERGY CORPORA	280,972.	280,972.	182,680.
69318G106 PBF ENERGY INC	363,391.	235,581.	236,980.
893641100 TRANSDIGM GROUP INC	119,304.	177,082.	273,856.
G5480U120 LIBERTY GLOBAL PLC-S	397,954.	433,356.	386,100.
02079K107 ALPHABET INC CL C	134,416.	245,873.	501,683.
02079K305 ALPHABET INC CL A	134,960.		
16411R208 CHENIERE ENERGY INC	309,132.	377,595.	310,725.
595112103 MICRON TECHNOLOGY IN	330,556.	254,929.	263,040.
740189105 PRECISION CASTPARTS	331,630.		
G0177J108 ALLERGAN PLC	352,839.	598,603.	504,024.
20337X109 COMMSCOPE HOLDING CO		188,626.	223,200.
50540R409 LABORATORY CRP OF AM		249,336.	320,950.
98850P109 YUM CHINA HOLDINGS I		20,597.	52,240.
TOTALS	9,778,569.	9,611,755.	15,657,969.

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
00206RAM4 AT&T INC	34,842.	34,842.	36,761.
00440EAJ6 ACE INA HOLDING	6,995.	6,995.	7,035.
0258M0DC0 AMERICAN EXPRESS CRE	26,144.		
031162BG4 AMGEN INC	15,866.	15,866.	15,813.
04621XAE8 ASSURANT INC	19,988.	19,988.	20,209.
055451AH1 BHP BILLITON FIN USA	4,984.	4,984.	5,489.
055451AL2 BHP BILLITON FIN USA	26,220.	26,220.	25,757.
06739FGF2 BARCLAYS BANK PLC	37,568.		
12189TBC7 BURLINGTN NORTH SANT	19,965.	19,965.	21,509.
126650BH2 CVS CAREMARK CORP	5,366.		
14912L4E8 CATERPILLAR FINANCIA	10,015.	10,015.	11,071.
191216AU4 COCA-COLA CO/THE	10,143.		
199575AW1 COLUMBUS SOUTHERN PO	9,977.	9,977.	10,536.
20030NBA8 COMCAST CORP	14,985.	14,985.	16,374.
205887BQ4 CONAGRA FOODS INC	9,950.		
209111EP4 CONSOLIDATED EDISON	9,995.		
25468PCV6 WALT DISNEY COMPANY/	19,736.	19,736.	19,983.
25470DAC3 DISCOVERY COMMUNICAT	20,118.	20,118.	21,467.
25746UBE8 DOMINION RESOURCES	20,039.	20,041.	21,212.
260543CC5 DOW CHEMICAL CO/THE	14,012.	14,012.	13,768.
26138EAM1 DR PEPPER SNAPPLE GR	10,064.		
30219GAF5 EXPRESS SCRIPTS HOLD	26,621.	26,621.	26,004.
36962G3U6 GENERAL ELEC CAP COR	8,893.	8,893.	10,554.
36962G6K5 GENERAL ELEC CAP COR	20,038.	20,038.	20,053.
373334JK8 GEORGIA POWER COMPAN	19,924.	19,924.	21,040.
402479BX6 GULF POWER CO	14,997.		
438516AZ9 HONEYWELL INTERNATIO	28,917.		
46625HHL7 JPMORGAN CHASE & CO	31,090.		
501044CG4 KROGER CO.	5,187.	5,187.	5,149.

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
539473AG3 LLOYDS BANK PLC	36,506.		
544152AF8 LORILLARD TOBACCO CO	25,198.	25,198.	25,123.
641423BW7 NEVADA POWER CO	9,986.	9,986.	10,753.
655844AZ1 NORFOLK SOUTHERN COR	4,942.	4,942.	5,250.
78008K5V1 ROYAL BANK OF CANADA	31,876.		
808513AD7 CHARLES SCHWAB CORP	26,361.	26,361.	26,724.
87236YAA6 TD AMERITRADE HOLDIN	19,972.	19,972.	21,972.
882508AW4 TEXAS INSTRUMENTS IN	19,648.	19,648.	19,277.
88732JAL2 TIME WARNER CABLE IN	20,038.		
8935268Y2 TRANS-CANADA PIPELIN	4,999.	4,999.	5,488.
931422AH2 WALGREEN CO	10,048.	10,048.	9,999.
961214BK8 WESTPAC BANKING CORP	32,538.	32,538.	32,192.
001055AM4 AFLAC INC	34,962.	34,962.	36,022.
035242AE6 ANHEUSER-BUSCH INBEV	45,387.	45,387.	45,279.
05565QCC0 BP CAPITAL MARKETS	45,187.	45,187.	44,974.
151020AK0 CELGENE CORP	30,491.	30,491.	30,183.
17275RAE2 CISCO SYSTEMS INC	22,356.	22,356.	21,380.
25152RVS9 DEUTSCHE BANK AG LON	30,526.	30,526.	29,760.
25243YAR0 DIAGEO CAPITAL PLC	20,070.	20,070.	20,029.
25459HBE4 DIRECTV HOLDINGS/FIN	25,685.		
539473AH1 GCB LLOYDS TSB BK PL	36,012.	36,012.	34,262.
57772KAB7 MAXIM INTEGRATED PRO	33,817.	33,817.	34,189.
91159HHH6 US BANCORP	30,398.	30,398.	30,256.
037833AK6 APPLE INC	34,203.		
045487AA3 ASSOC BANC-CORP	30,540.	30,540.	30,077.
12572QAG0 CME GROUP INC	30,596.	30,596.	29,985.
38148LAC0 GOLDMAN SACHS GROUP	30,496.	30,496.	29,601.
40414LAL3 HCP INC	19,985.	14,989.	14,993.
404280AL3 HSBC HOLDINGS PLC	27,527.	27,527.	26,989.

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
458140AJ9 INTEL CORP	21,073.	21,073.	20,783.
55907RAA6 MAGELLAN MIDSTREAM	32,763.	32,763.	31,805.
665859AM6 NORTHERN TRUST CORP	10,416.	10,416.	10,398.
693476BN2 PNC FUNDING CORP	30,613.	30,613.	30,841.
80280JDB4 SANTANDER BANK NA	30,099.	30,099.	29,987.
92343VCR3 VERIZON COMMUNICATIO	29,820.	29,820.	29,904.
00206RCN0 AT&T INC		25,038.	24,096.
037833BZ2 APPLE INC		34,759.	32,849.
06406FAA1 BANK OF NY MELLON CO		35,888.	35,039.
084670BS6 BERKSHIRE HATHAWAY		30,986.	29,805.
26138EAQ2 DR PEPPER SNAPPLE GR		14,771.	14,895.
345397XZ1 FORD MOTOR CREDIT CO		29,820.	28,972.
46625HQW3 JPMORGAN CHASE & CO		30,773.	29,477.
49326EEF6 KEYCORP		10,324.	10,119.
78012KNL7 ROYAL BANK OF CANADA		24,959.	24,862.
842587CQ8 SOUTHERN CO		25,276.	24,923.
89114QBG2 TORONTO-DOMINION BAN		20,215.	19,694.
92553PAV4 VIACOM INC		20,125.	19,835.
TOTALS	1,427,773.	1,393,171.	1,392,825.

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	COST/ FMV C OR F	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
073914C27 BEAR STEARNS MTG	C	33.	32.	4.
34528QBP8 FORD CREDIT FLOORPLA	C	30,450.	30,450.	30,008.
981464DS6 WORLD FINANCIAL NETW	C	69,618.	69,618.	70,127.
3136A2K51 FED NATL MTG ASSN	C	32,975.	26,266.	25,888.
TOTALS		133,076.	126,366.	126,027.

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

DESCRIPTION	AMOUNT
MUTUAL FUNDS POST CURRENT TYE EFFECTIVE PRIOR TYE	2,214.
ROUNDING	14.
RETURN OF CAPITAL	481.
ACCRUED INT PAID POST PRIOR TYE	948.
TOTAL	3,657.

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

DESCRIPTION	AMOUNT
MUTUAL FUNDS POST NEXT TYE EFFECTIVE CURRENT TYE	2,753.
ACCRUED INT PAID EFF AFTER TYE	819.
TOTAL	3,572.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
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OFFICER NAME:
Wells Fargo Bank NA
ADDRESS:
1525 West WT Harris Blvd D1114-044
Charlotte, NC 28262
TITLE:
Co Trustee
COMPENSATION .... 85,001.
COMPENSATION EXPLANATION:
Trust Administration
see attached

OFFICER NAME:
Robert C Hayes
ADDRESS:
868 N Church St
Concord, NC 28025
TITLE:
Co-Trustee
AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 2
COMPENSATION .... 11,379.

OFFICER NAME:
William C Cannon Jr
ADDRESS:
868 N Church St
Concord, NC 28025
TITLE:
Co-Trustee
AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 2
COMPENSATION .... 11,379.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

OFFICER NAME:
Joseph C Hunter
ADDRESS:
868 N Church St
Concord, NC 28025
TITLE:
Co-Trustee
AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 2
COMPENSATION .... 11,378.

OFFICER NAME:
Edwin Outen
ADDRESS:
868 N Church St
Concord, NC 28025
TITLE:
Co-Trustee
AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 2
COMPENSATION .... 11,379.

OFFICER NAME:
Wells Fargo Bank, N.A.
ADDRESS:
1525 West WT Harris Blvd
Charlotte, NC 28262
TITLE:
Co-Trustee
COMPENSATION .... 10,376.
COMPENSATION EXPLANATION:
Grant Administration
see attached

TOTAL COMPENSATION: 140,892.