

# Return of Private Foundation

**2002**

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation  
 Note The organization may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2002, or tax year beginning , 2002, and ending

G Check all that apply  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label Otherwise, print or type See Specific Instructions

Name of organization: **THE ROE FOUNDATION**

Employer identification number: **23-7011541**

Number and street (or P O box number if mail is not delivered to street address): **301 N MAIN STREET**

Room/suite: **1735**

Telephone number (see page 10 of the instructions): **(864) 242-5007**

City or town, state, and ZIP code: **GREENVILLE, SC 29601**

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) **28,186,591.**

J Accounting method  Cash  Accrual  
 Other (specify) \_\_\_\_\_  
 (Part I, column (d) must be on cash basis)

C If exemption application is pending, check here

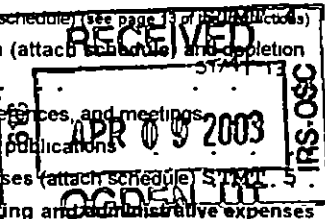
D 1 Foreign organizations: check here   
 2 Foreign organizations meeting the 85% test, check here and attach computation

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

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

| Part I Analysis of Revenue and Expenses<br>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the 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). Check <input type="checkbox"/> if the foundation is not required to attach Sch. B | 1,682,201                          |                           |                         | STMT 1  |
|  | 2 Distributions from split-interest trusts   |                                    |                           |                         |   |
|  | 3 Interest on savings and temporary cash investments   | 19,523.                            | 19,523                    | 19,523                  |   |
|  | 4 Dividends and interest from securities   | 578,006.                           | 578,006                   | 578,006.                |   |
|  | 5a Gross rents   |                                    |                           |                         |   |
|  | b (Net rental income or (loss))  |                                    |                           |                         |   |
|  | 6a Net gain or (loss) from sale of assets not on line 10   | 26,642                             |                           |                         |   |
|  | b Gross sales price for all assets on line 6a <b>4,134,170</b>   |                                    |                           |                         |   |
|  | 7 Capital gain net income (from Part IV, line 2)   |                                    | 26,642                    |                         |   |
|  | 8 Net short-term capital gain  |                                    |                           |                         |   |
|  | 9 Income modifications   |                                    |                           |                         |   |
|  | 10 a Gross sales less returns and allowances   |                                    |                           |                         |   |
| b Less Cost of goods sold  |  |                                    |                           |                         |   |
| c Gross profit or (loss) (attach schedule)   |  |                                    |                           |                         |   |
| 11 Other income (attach schedule)  |  |                                    |                           |                         |   |
| 12 Total. Add lines 1 through 11   | 2,306,372  | 624,171                            | 597,529                   |                         |   |
| Operating and Administrative Expenses  | 13 Compensation of officers, directors, trustees, etc  | 2,000                              | 400                       | 400                     | 1,600   |
|  | 14 Other employee salaries and wages   | 35,035.                            | 7,007                     | 7,007                   | 28,028  |
|  | 15 Pension plans, employee benefits  | -737.                              | -147                      | -147.                   | -590  |
|  | 16a Legal fees (attach schedule)   |                                    |                           |                         |   |
|  | b Accounting fees (attach schedule) STMT 2   | 2,350.                             | 470.                      | 470                     | 1,880   |
|  | c Other professional fees (attach schedule) STMT 3   | 180,908                            | 171,862                   | 171,862.                | 9,046   |
|  | 17 Interest  |                                    |                           |                         |   |
|  | 18 Taxes (attach schedule) (see page 13 of the instructions)   | 10,214                             | 7,368                     | 7,368                   | 2,846   |
|  | 19 Depreciation (attach schedule) and depletion  | 3,994                              | 3,994.                    | 3,994                   |   |
|  | 20 Occupancy   | 15,861.                            | 3,172                     | 3,172                   | 12,689  |
|  | 21 Travel, conferences, and meetings   | 2,671                              | 684                       | 684                     | 1,987   |
|  | 22 Printing and publications   |                                    |                           |                         |   |
|  | 23 Other expenses (attach schedule) STMT 5   | 13,523.                            | 2,923                     | 2,923                   | 10,600  |
|  | 24 Total operating and administrative expenses. Add lines 13 through 23  | 265,819.                           | 197,733                   | 197,733.                | 68,086  |
|  | 25 Contributions, gifts, grants paid   | 1,143,000.                         |                           |                         | 1,143,000   |
| 26 Total expenses and disbursements. Add lines 24 and 25   | 1,408,819  | 197,733.                           | 197,733                   | 1,211,086               |   |
| 27 Subtract line 26 from line 12   |  |                                    |                           |                         |   |
| a Excess of revenue over expenses and disbursements  | 897,553  |                                    |                           |                         |   |
| b Net investment income (if negative, enter -0-)   |  | 426,438                            |                           |                         |   |
| c Adjusted net income (if negative, enter -0-)   |  |                                    | 399,796                   |                         |   |

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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<br>(a) Book Value  | End of year<br>(b) Book Value | (c) Fair Market Value |            |
| Assets                      | 1  | Cash - non-interest-bearing . . . . .  | 23,141                        | 25,092                | 25,092     |
|                             | 2  | Savings and temporary cash investments . . . . .   | 1,083,110                     | 70,570                | 70,570     |
|                             | 3  | Accounts receivable ▶<br>Less allowance for doubtful accounts ▶  |                               |                       |            |
|                             | 4  | Pledges receivable ▶<br>Less allowance for doubtful accounts ▶   |                               |                       |            |
|                             | 5  | Grants receivable . . . . .  |                               |                       |            |
|                             | 6  | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions) |                               |                       |            |
|                             | 7  | Other notes and loans receivable (attach schedule) ▶<br>Less allowance for doubtful accounts ▶   |                               |                       |            |
|                             | 8  | Inventories for sale or use . . . . .  |                               |                       |            |
|                             | 9  | Prepaid expenses and deferred charges . . . . .  |                               |                       |            |
|                             | 10 a   | Investments - U.S. and state government obligations (attach schedule)  |                               |                       |            |
|                             | b  | Investments - corporate stock (attach schedule) . STMT 6   | 27,280,252                    | 29,182,657            | 28,084,122 |
|                             | c  | Investments - corporate bonds (attach schedule)  |                               |                       |            |
|                             | 11   | Investments - land, buildings and equipment basis ▶<br>Less accumulated depreciation (attach schedule) ▶                               |                               |                       |            |
|                             | 12   | Investments - mortgage loans . . . . .   |                               |                       |            |
|                             | 13   | Investments - other (attach schedule) . . . . .  |                               |                       |            |
|                             | 14   | Land, buildings and equipment basis ▶<br>Less accumulated depreciation (attach schedule) ▶   | 38,601<br>31,794              | 7,809<br>6,807        | 6,807      |
| 15                          | Other assets (describe ▶ STMT 7 )  | NONE   | NONE                          | NONE                  |            |
| 16                          | Total assets (to be completed by all filers - see page 16 of the instructions. Also, see page 1, item I)                     | 28,394,312   | 29,285,126                    | 28,186,591            |            |
| Liabilities                 | 17   | Accounts payable and accrued expenses . . . . .  | NONE                          | NONE                  |            |
|                             | 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   | NONE                          |                       |            |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/>  |  |                               |                       |            |
|                             | and complete lines 24 through 26 and lines 30 and 31   |  |                               |                       |            |
|                             | 24   | Unrestricted . . . . .   |                               |                       |            |
|                             | 25   | Temporarily restricted . . . . .   |                               |                       |            |
|                             | 26   | Permanently restricted . . . . .   |                               |                       |            |
|                             | Organizations 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 . . . . .   | 28,394,312   | 29,285,126                    |                       |            |
| 30                          | Total net assets or fund balances (see page 16 of the instructions)  | 28,394,312   | 29,285,126                    |                       |            |
| 31                          | Total liabilities and net assets/fund balances (see page 16 of the instructions)   | 28,394,312   | 29,285,126                    |                       |            |

**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 | 28,394,312 |
| 2 | Enter amount from Part I, line 27a   | 2 | 897,553    |
| 3 | Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 8   | 3 | 5,961      |
| 4 | Add lines 1, 2, and 3  | 4 | 29,297,826 |
| 5 | Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 9   | 5 | 12,700     |
| 6 | Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30  | 6 | 29,285,126 |

**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<br>P-Purchase<br>D-Donation | (c) Date acquired<br>(mo, day, yr) | (d) Date sold<br>(mo, day, yr) |
|---|--|---|--|--|------------------------------------|--------------------------------|
| <b>1a SEE PART IV SCHEDULE</b>  |  |   |  |  |                                    |                                |
| <b>b</b>  |  |   |  |  |                                    |                                |
| <b>c</b>  |  |   |  |  |                                    |                                |
| <b>d</b>  |  |   |  |  |                                    |                                |
| <b>e</b>  |  |   |  |  |                                    |                                |
| (e) Gross sales price   | (f) Depreciation allowed<br>(or allowable) | (g) Cost or other basis<br>plus expense of sale | (h) Gain or (loss)<br>(e) plus (f) minus (g)   |  |                                    |                                |
| <b>a</b>  |  |   |  |  |                                    |                                |
| <b>b</b>  |  |   |  |  |                                    |                                |
| <b>c</b>  |  |   |  |  |                                    |                                |
| <b>d</b>  |  |   |  |  |                                    |                                |
| <b>e</b>  |  |   |  |  |                                    |                                |
| 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<br>as of 12/31/69       | (k) Excess of col (i)<br>over col (j), if any   | (l) Gains (Col (h) gain minus<br>col (k), but not less than -0-) or<br>Losses (from col (h)) |  |                                    |                                |
| <b>a</b>  |  |   |  |  |                                    |                                |
| <b>b</b>  |  |   |  |  |                                    |                                |
| <b>c</b>  |  |   |  |  |                                    |                                |
| <b>d</b>  |  |   |  |  |                                    |                                |
| <b>e</b>  |  |   |  |  |                                    |                                |
| <b>2 Capital gain net income or (net capital loss)</b>  |  |   |  | <b>2</b>                                     | <b>26,642</b>                      |                                |
| { If gain, also enter in Part I, line 7<br>If (loss), enter -0- in Part I, line 7 }   |  |   |  |  |                                    |                                |
| <b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)</b>   |  |   |  | <b>3</b>                                     |                                    |                                |
| { If gain, also enter in Part I, line 8, column (c) (see pages 12 and 17 of the instructions)<br>If (loss), enter -0- in Part I, line 8 } |  |   |  |  |                                    |                                |

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

**1** Enter the appropriate amount in each column for each year, see page 17 of the instructions before making any entries

| (a)<br>Base period years Calendar year<br>(or tax year beginning in)  | (b)<br>Adjusted qualifying distributions | (c)<br>Net value of noncharitable-use assets | (d)<br>Distribution ratio<br>(col (b) divided by col (c)) |
|---|--|--|---|
| 2001  | 1,062,192                                | 25,677,114                                   | 0.04136726581   |
| 2000  | 1,022,919                                | 24,500,285                                   | 0.04175131024   |
| 1999  | 1,024,392                                | 23,825,667                                   | 0.04299531258   |
| 1998  | 826,205                                  | 22,131,202                                   | 0.03733213406   |
| 1997  | 794,598                                  | 19,125,336                                   | 0.04154687792   |
| <b>2 Total of line 1, column (d)</b>  |  |  | <b>0.20499290061</b>                                      |
| <b>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</b> |  |  | <b>0.04099858012</b>                                      |
| <b>4 Enter the net value of noncharitable-use assets for 2002 from Part X, line 5</b>   |  |  | <b>28,633,454</b>   |
| <b>5 Multiply line 4 by line 3</b>  |  |  | <b>1,173,931</b>  |
| <b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>   |  |  | <b>4,264</b>  |
| <b>7 Add lines 5 and 6</b>  |  |  | <b>1,178,195</b>  |
| <b>8 Enter qualifying distributions from Part XII, line 4</b>   |  |  | <b>1,211,086</b>  |

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 on page 17

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 17 of the instructions)**

|    |   |    |       |
|----|---|----|-------|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1<br>Date of ruling letter _____ (attach copy of ruling letter if necessary - see instructions) |    |       |
| b  | Domestic organizations 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  | 4,264 |
| c  | All other domestic organizations 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  | 4,264 |
| 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  | 4,264 |
| 6  | Credits/Payments  |    |       |
| a  | 2002 estimated tax payments and 2001 overpayment credited to 2002   | 6a | 9,000 |
| 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  | 9,000 |
| 8  | Enter any penalty for underpayment of estimated tax. Check here <input checked="" 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 | 4,736 |
| 11 | Enter the amount of line 10 to be Credited to 2003 estimated tax <input type="checkbox"/> 1,066 Refunded <input checked="" type="checkbox"/>  | 11 | 3,670 |

**Part VII-A Statements Regarding Activities**

|    | Yes | No  |
|----|-----|-----|
| 1a |     | X   |
| 1b |     | X   |
| 1c |     | X   |
| 2  |     | X   |
| 3  |     | X   |
| 4a |     | X   |
| 4b |     | N/A |
| 5  |     | X   |
| 6  | X   |     |
| 7  | X   |     |
| 8b | X   |     |
| 9  |     | X   |
| 10 |     | X   |
| 11 | X   |     |

1a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 18 of the instructions for definition)?  
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities

1c Did the organization file Form 1120-POL for this year?

2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year  
(1) On the organization \$ \_\_\_\_\_ (2) On organization managers \$ \_\_\_\_\_

2 Has the organization engaged in any activities that have not previously been reported to the IRS?  
If "Yes," attach a detailed description of the activities

3 Has the organization 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

4a Did the organization have unrelated business gross income of \$1,000 or more during the year?

4b If "Yes," has it filed a tax return on Form 990-T for this year?

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?  
If "Yes" attach the statement required by General Instruction T

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?

7 Did the organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV

8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) SOUTH CAROLINA

8b If the answer is "Yes" to line 7, has the organization 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

9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2002 or the taxable year beginning in 2002 (see instructions for Part XIV on page 25)? If "Yes," complete Part XIV

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

11 Did the organization comply with the public inspection requirements for its annual returns and exemption application?  
Web site address N/A

12 The books are in care of SHIRLEY W ROE Telephone no 864-242-5007  
Located at 301 N MAIN ST STE 1735, GREENVILLE, SC ZIP+4 29601

13 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 13

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

Table with columns for question descriptions, Yes/No checkboxes, and Yes/No columns. Includes questions 1a through 6b regarding disqualifying activities, disaster assistance, and charitable investments.

**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 page 20 of the 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 10     |   | 2,000.                                    | NONE  | NONE                                 |
|                      |   |   |   |                                      |
|                      |   |   |   |                                      |
|                      |   |   |   |                                      |
|                      |   |   |   |                                      |

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 20 of the 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**

**3 Five highest-paid independent contractors for professional services - (see page 20 of the 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 NONE   |          |
| 2  |          |
| 3  |          |
| 4  |          |

**Part IX-B Summary of Program-Related Investments** (see page 21 of the instructions)

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|--|--------|
| 1 <u>NOT APPLICABLE</u>  |        |
| 2  |        |
| All other program-related investments See page 21 of the instructions  |        |
| 3 <u>NONE</u>  |        |
| <b>Total.</b> Add lines 1 through 3  |        |

**Part X Minimum Investment Return** (All domestic foundations must complete this part Foreign foundations, see page 21 of the 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 | 28,841,131 |
| b Average of monthly cash balances  | 1b | 228,365    |
| c Fair market value of all other assets (see page 22 of the instructions)   | 1c | NONE       |
| d Total (add lines 1a, b, and c)  | 1d | 29,069,496 |
| 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  | 29,069,496 |
| 4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 22 of the instructions) | 4  | 436,042    |
| 5 Net value of noncharitable-use assets Subtract line 4 from line 3 Enter here and on Part V, line 4                      | 5  | 28,633,454 |
| 6 Minimum investment return. Enter 5% of line 5   | 6  | 1,431,673  |

**Part XI Distributable Amount** (see page 23 of the 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  | 1,431,673 |
| 2 a Tax on investment income for 2002 from Part VI, line 5   | 2a | 4,264     |
| b Income tax for 2002 (This does not include the tax from Part VI)                                 | 2b |           |
| c Add lines 2a and 2b  | 2c | 4,264     |
| 3 Distributable amount before adjustments Subtract line 2c from line 1                             | 3  | 1,427,409 |
| 4 a Recoveries of amounts treated as qualifying distributions                                      | 4a | NONE      |
| b Income distributions from section 4947(a)(2) trusts  | 4b |           |
| c Add lines 4a and 4b  | 4c | NONE      |
| 5 Add lines 3 and 4c   | 5  | 1,427,409 |
| 6 Deduction from distributable amount (see page 23 of the instructions)                            | 6  | NONE      |
| 7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1 | 7  | 1,427,409 |

**Part XII Qualifying Distributions** (see page 23 of the 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 | 1,211,086 |
| b Program-related investments - Total from Part IX-B   | 1b | NONE      |
| 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  | 1,211,086 |
| 5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 24 of the instructions) | 5  | 4,264     |
| 6 Adjusted qualifying distributions. Subtract line 5 from line 4   | 6  | 1,206,822 |

**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 page 24 of the instructions)

|  | (a)<br>Corpus | (b)<br>Years prior to 2001 | (c)<br>2001 | (d)<br>2002 |
|--|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2002 from Part XI, line 7 . . . . .   |               |                            |             | 1,427,409   |
| 2 Undistributed income, if any, as of the end of 2001  |               |                            |             |             |
| a Enter amount for 2001 only . . . . .   |               |                            | 755,064     |             |
| b Total for prior years . . . . .  |               | NONE                       |             |             |
| 3 Excess distributions carryover, if any, to 2002  |               |                            |             |             |
| a From 1997 . . . . .  | NONE          |                            |             |             |
| b From 1998 . . . . .  | NONE          |                            |             |             |
| c From 1999 . . . . .  | NONE          |                            |             |             |
| d From 2000 . . . . .  | NONE          |                            |             |             |
| e From 2001 . . . . .  | NONE          |                            |             |             |
| f Total of lines 3a through e . . . . .  | NONE          |                            |             |             |
| 4 Qualifying distributions for 2002 from Part XII, line 4 ▶ \$ 1,211,086   |               |                            |             |             |
| a Applied to 2001, but not more than line 2a   |               |                            | 755,064     |             |
| b Applied to undistributed income of prior years (Election required - see page 24 of the instructions)   |               | NONE                       |             |             |
| c Treated as distributions out of corpus (Election required - see page 24 of the instructions)   | NONE          |                            |             |             |
| d Applied to 2002 distributable amount . . . . .   |               |                            |             | 456,022     |
| e Remaining amount distributed out of corpus   | NONE          |                            |             |             |
| 5 Excess distributions carryover applied to 2002 (If an amount appears in column (d), the same amount must be shown in column (a) )  |               |                            |             | 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 page 24 of the instructions   |               | NONE                       |             |             |
| e Undistributed income for 2001 Subtract line 4a from line 2a Taxable amount - see page 24 of the instructions   |               |                            |             |             |
| f Undistributed income for 2002 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2003  |               |                            |             | 971,387     |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 24 of the instructions)                   | NONE          |                            |             |             |
| 8 Excess distributions carryover from 1997 not applied on line 5 or line 7 (see page 25 of the instructions)   | NONE          |                            |             |             |
| 9 Excess distributions carryover to 2003 Subtract lines 7 and 8 from line 6a   | NONE          |                            |             |             |
| 10 Analysis of line 9  |               |                            |             |             |
| a Excess from 1998 . . . . .   | NONE          |                            |             |             |
| b Excess from 1999 . . . . .   | NONE          |                            |             |             |
| c Excess from 2000 . . . . .   | NONE          |                            |             |             |
| d Excess from 2001 . . . . .   | NONE          |                            |             |             |
| e Excess from 2002 . . . . .   | NONE          |                            |             |             |



**Part XIV Private Operating Foundations** (see page 25 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

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 2002, enter the date of the ruling . . . . .

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

|  | Tax year |          | Prior 3 years |          | (e) Total |
|--|----------|----------|---------------|----------|-----------|
|  | (a) 2002 | (b) 2001 | (c) 2000      | (d) 1999 |           |
| 2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .                    |          |          |               |          |           |
| b 85% of line 2a . . . . .   |          |          |               |          |           |
| c Qualifying distributions from Part XII line 4 for each year listed . . . . .   |          |          |               |          |           |
| d Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .  |          |          |               |          |           |
| e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c . . . . .                                   |          |          |               |          |           |
| 3 Complete 3a, b, or c for the alternative test relied upon:   |          |          |               |          |           |
| a "Assets" alternative test - enter:   |          |          |               |          |           |
| (1) Value of all assets . . . . .  |          |          |               |          |           |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .  |          |          |               |          |           |
| b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X line 6 for each year listed . . . . .                              |          |          |               |          |           |
| c "Support" alternative test - enter:  |          |          |               |          |           |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)) or royalties) . . . . . |          |          |               |          |           |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii) . . . . .                                      |          |          |               |          |           |
| (3) Largest amount of support from an exempt organization . . . . .  |          |          |               |          |           |
| (4) Gross investment income . . . . .  |          |          |               |          |           |

**Part XV Supplementary Information** (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 25 of the 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))

THOMAS A ROE

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

N/A

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

Check here  if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 25 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

SEE STATEMENT 11

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

LIST OF DIRECTORS, LATEST AUDITED FINANCIAL STATEMENTS, DESCRIPTION OF ORGANIZATION

c Any submission deadlines

OCTOBER 31

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

PUBLIC POLICY ORGANIZATION SUPPORTIVE OF A FREE MARKET AND INSTITUTIONS IN GREENVILLE

**Part XV** Supplementary Information (continued)

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

| Recipient<br>Name and address (home or business)         | If recipient is an individual<br>show any relationship to<br>any foundation manager<br>or substantial contributor | Foundation<br>status of<br>recipient | Purpose of grant or<br>contribution | Amount            |
|--|---|--------------------------------------|-------------------------------------|-------------------|
| a <i>Paid during the year</i><br><b>SEE STATEMENT 12</b> |   |                                      |                                     | <b>1,143,000</b>  |
| <b>Total . . . . . ▶ 3a</b>                              |   |                                      |                                     | <b>1,143,000.</b> |
| b <i>Approved for future payment</i>                     |   |                                      |                                     |                   |
| <b>Total . . . . . ▶ 3b</b>                              |   |                                      |                                     |                   |

**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)<br>Related or exempt<br>function income<br>(See page 26 of<br>the instructions) |
|--|---------------------------|---------------|--------------------------------------|---------------|---|
|  | (a)<br>Business<br>code   | (b)<br>Amount | (c)<br>Exclusion<br>code             | (d)<br>Amount |   |
| 1 Program service revenue                                  |                           |               |                                      |               |   |
| a _____  |                           |               |                                      |               |   |
| b _____  |                           |               |                                      |               |   |
| c _____  |                           |               |                                      |               |   |
| d _____  |                           |               |                                      |               |   |
| e _____  |                           |               |                                      |               |   |
| f _____  |                           |               |                                      |               |   |
| g Fees and contracts from government agencies              |                           |               |                                      |               |   |
| 2 Membership dues and assessments                          |                           |               |                                      |               |   |
| 3 Interest on savings and temporary cash investments       |                           |               | 14                                   | 19,523        |   |
| 4 Dividends and interest from securities                   |                           |               | 14                                   | 578,006.      |   |
| 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                                   | 26,642        |   |
| 9 Net income or (loss) from special events                 |                           |               |                                      |               |   |
| 10 Gross profit or (loss) from sales of inventory          |                           |               |                                      |               |   |
| 11 Other revenue a _____                                   |                           |               |                                      |               |   |
| b _____  |                           |               |                                      |               |   |
| c _____  |                           |               |                                      |               |   |
| d _____  |                           |               |                                      |               |   |
| e _____  |                           |               |                                      |               |   |
| 12 Subtotal Add columns (b), (d), and (e)                  |                           |               |                                      | 624,171       |   |
| 13 Total Add line 12, columns (b), (d), and (e)            |                           |               |                                      | 13            | 624,171   |

(See worksheet in line 13 instructions on page 26 to verify calculations )

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

| Line No<br>▼ | Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 26 of the instructions) |
|--------------|--|
|              | <b>NOT APPLICABLE</b>  |
|              |  |
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Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 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... a Transfers from the reporting organization to a noncharitable exempt organization of (1) Cash (2) Other assets b Other Transactions (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule...

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

2 a Is the organization 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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

including accompanying schedules and statements, and to the best of my knowledge and belief (as a preparer or fiduciary) is based on all information of which preparer has any knowledge

14-01-03 P. Lawrence

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

| Kind of Property                             |                                       | Description                             |                          |                                |                                    | P<br>or<br>D | Date<br>acquired     | Date sold |
|--|---------------------------------------|---|--------------------------|--------------------------------|------------------------------------|--------------|----------------------|-----------|
| Gross sale<br>price less<br>expenses of sale | Depreciation<br>allowed/<br>allowable | Cost or<br>other<br>basis               | FMV<br>as of<br>12/31/69 | Adj basis<br>as of<br>12/31/69 | Excess of<br>FMV over<br>adj basis |              | Gain<br>or<br>(loss) |           |
| 563,402                                      |                                       | BERNSTEIN<br>PROPERTY TYPE<br>668,362   | SECURITIES               |                                |                                    | P            | VARIOUS<br>-104,960  | VARIOUS   |
| 1,086,167                                    |                                       | RUANE CUNNIFF<br>PROPERTY TYPE: 700,167 | SECURITIES               |                                |                                    | P            | VARIOUS<br>386,000   | VARIOUS   |
| 1,476,856.                                   |                                       | WACHOVIA<br>PROPERTY TYPE 2,013,020     | SECURITIES               |                                |                                    | P            | VARIOUS<br>-536,164  | VARIOUS   |
| 817,948                                      |                                       | WEDGE<br>PROPERTY TYPE 725,978          | SECURITIES               |                                |                                    | P            | VARIOUS<br>91,970    | VARIOUS   |
| 172  |                                       | SUNTRUST<br>PROPERTY TYPE NONE          | SECURITIES               |                                |                                    | P            | VARIOUS<br>172       | VARIOUS   |
| 189,624                                      |                                       | PIMCO<br>PROPERTY TYPE NONE             | SECURITIES               |                                |                                    | P            | VARIOUS<br>189,624   | VARIOUS   |
| <b>TOTAL GAIN (LOSS)</b>                     |                                       | .....                                   |                          |                                |                                    |              | <u>26,642</u>        |           |

FORM 990PF, PART I - CONTRIBUTIONS, GIFTS AND GRANTS RECEIVED

NAME AND ADDRESS

DATE

THE ESTATE OF THOMAS ROE  
712 CRESCENT AVE  
GREENVILLE, SC 29601

VARIOUS

FORM 990PF, PART I - ACCOUNTING FEES

| DESCRIPTION | REVENUE AND EXPENSES PER BOOKS | NET INVESTMENT INCOME | ADJUSTED NET INCOME | CHARITABLE PURPOSES |
|-------------|--------------------------------|-----------------------|---------------------|---------------------|
| KPMG LLP    | 2,350.                         | 470.                  | 470.                | 1,880.              |
| TOTALS      | 2,350.                         | 470.                  | 470.                | 1,880.              |

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

| DESCRIPTION           | REVENUE AND EXPENSES PER BOOKS | NET INVESTMENT INCOME | ADJUSTED NET INCOME | CHARITABLE PURPOSES |
|-----------------------|--------------------------------|-----------------------|---------------------|---------------------|
| INVESTMENT MANAGERS   | 149,333.                       | 141,866.              | 141,866.            | 7,467.              |
| INVESTMENT COUNSELORS | 31,575.                        | 29,996.               | 29,996.             | 1,579.              |
| TOTALS                | 180,908.                       | 171,862.              | 171,862.            | 9,046.              |



FORM 990PF, PART I - TAXES

| DESCRIPTION   | REVENUE AND EXPENSES PER BOOKS | NET INVESTMENT INCOME | ADJUSTED NET INCOME | CHARITABLE PURPOSES |
|---------------|--------------------------------|-----------------------|---------------------|---------------------|
| PAYROLL TAXES | 3,558.                         | 712.                  | 712.                | 2,846.              |
| FOREIGN TAXES | 6,656.                         | 6,656.                | 6,656.              | NONE                |
| TOTALS        | 10,214.                        | 7,368.                | 7,368.              | 2,846.              |

FORM 990PF, PART I - OTHER EXPENSES

| DESCRIPTION    | REVENUE AND EXPENSES PER BOOKS | NET INVESTMENT INCOME | ADJUSTED NET INCOME | CHARITABLE PURPOSES |
|----------------|--------------------------------|-----------------------|---------------------|---------------------|
| INSURANCE      | 2,487.                         | 497.                  | 497.                | 1,990.              |
| OFFICE EXPENSE | 6,549.                         | 1,529.                | 1,529.              | 5,020.              |
| POSTAGE        | 878.                           | 176.                  | 176.                | 702.                |
| TELEPHONE      | 3,609.                         | 721.                  | 721.                | 2,888.              |
| TOTALS         | 13,523.                        | 2,923.                | 2,923.              | 10,600.             |

FORM 990PF, PART II - CORPORATE STOCK

| DESCRIPTION                  | BEGINNING BOOK VALUE | ENDING BOOK VALUE | ENDING FMV  |
|------------------------------|----------------------|-------------------|-------------|
| PIMCO                        | 6,494,211.           | 7,111,687.        | 7,330,346.  |
| FIRST UNION CORP. SECURITIES | 4,750,852.           | NONE              | NONE        |
| MONTAG & CALDWELL            | 3,761,775.           | NONE              | NONE        |
| FIRST UNION - RUANE CUNNIFF  | 2,634,422.           | 3,035,574.        | 3,751,313.  |
| FIRST UNION - WEDGE          | 3,102,557.           | 3,213,283.        | 4,142,938.  |
| AMERICAN EUROPEAN PACIFIC    | 1,903,482.           | 2,501,244.        | 2,168,805.  |
| BERNSTEIN                    | 3,632,953.           | 3,578,058.        | 3,158,721.  |
| TCW                          | 1,000,000.           | 1,000,000.        | 536,598.    |
| WACHOVIA                     | NONE                 | 3,996,328.        | 3,106,844.  |
| ABN - AMRO FUNDS             | NONE                 | 4,746,483.        | 3,888,557.  |
| TOTALS                       | 27,280,252.          | 29,182,657.       | 28,084,122. |

FORM 990PF, PART II - OTHER ASSETS

| DESCRIPTION                   | BEGINNING BOOK VALUE | ENDING BOOK VALUE | ENDING FMV |
|-------------------------------|----------------------|-------------------|------------|
| LEASEHOLD IMPROVEMENTS        | 18,292.              | 18,292.           | 18,292.    |
| LESS ACCUMULATED AMORTIZATION | -18,292.             | -18,292.          | -18,292.   |
| TOTALS                        | NONE                 | NONE              | NONE       |

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

| DESCRIPTION<br>----- | AMOUNT<br>-----          |
|----------------------|--------------------------|
| UNREALIZED GAINS     | 5,961.                   |
| TOTAL                | -----<br>5,961.<br>===== |

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

| DESCRIPTION<br>----- | AMOUNT<br>----- |
|----------------------|-----------------|
| EXCISE TAX           | 12,700.         |
| TOTAL                | <u>12,700.</u>  |

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

| NAME AND ADDRESS  | TITLE AND TIME DEVOTED TO POSITION | COMPENSATION | CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS | EXPENSE ACCT AND OTHER ALLOWANCES |
|---|------------------------------------|--------------|---|-----------------------------------|
| SHIRLEY W. ROE<br>712 CRESCENT AVE.<br>GREENVILLE, SC 29601   | CHAIRMAN<br>10                     | 500.         | NONE                                    | NONE                              |
| EDWIN FEULNER<br>THE HERITAGE FOUNDATION<br>214 MASSACHUSETTS AVE, NE<br>WASHINGTON, DC 20002         | VICE CHRMN<br>.5                   | 500.         | NONE                                    | NONE                              |
| BRYAN S. LAMM<br>MANAGING PARTNER, PIN OAK GROUP, LLC<br>830 MILL LAKE RD.<br>FT WAYNE, INDIANA 46845 | DIRECTOR<br>.5                     | 500.         | NONE                                    | NONE                              |
| CARL O. HELSTROM, III<br>8 PIERCE ROAD<br>EAST WINDSOR, NJ 08520                                      | DIRECTOR<br>.5                     | 500.         | NONE                                    | NONE                              |
| GRAND TOTALS  |                                    | 2,000.       | NONE                                    | NONE                              |

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

SHIRLEY W. ROE  
301 N. MAIN STREET, SUITE 1735  
GREENVILLE, SC 29601  
1-864-242-5007



The Roe Foundation  
 EIN 23-7011541  
 December 31, 2002  
 Form 990-PF, Part XV - Grants and Contributions Paid During Year

| Organization                                    | Amount    | Purpose                |
|---|-----------|------------------------|
| Action Institute                                | 5,000 00  | General operating fund |
| American Legislative Exchange Council           | 2,500 00  | General operating fund |
| America's Future Foundation                     | 5,000 00  | General operating fund |
| Atlas Economic Research Foundation              | 20,000 00 | General operating fund |
| Capital Research Center                         | 10,000 00 | General operating fund |
| Cato Institute                                  | 5,000 00  | General operating fund |
| Center for Civic Renewal                        | 5,000 00  | General operating fund |
| Center for Education Reform                     | 10,000 00 | General operating fund |
| Center for Individual Rights                    | 1,000 00  | General operating fund |
| Competitive Enterprise Institute                | 10,000 00 | General operating fund |
| Consumer Alert                                  | 5,000 00  | General operating fund |
| Defenders of Property Rights                    | 5,000 00  | General operating fund |
| Donors Trust                                    | 5,000 00  | General operating fund |
| Ethics and Public Policy Center                 | 2,500 00  | General operating fund |
| Federalist Society                              | 3,000 00  | General operating fund |
| Foundation for Economic Education               | 5,000 00  | General operating fund |
| Foundation for Teaching Economics               | 2,500 00  | General operating fund |
| Foundation Management Institute                 | 2,500 00  | General operating fund |
| Free Congress                                   | 5,000 00  | General operating fund |
| Frontiers of Freedom                            | 2,500 00  | General operating fund |
| Fund for American Studies                       | 2,500 00  | General operating fund |
| Galen Institute                                 | 5,000 00  | General operating fund |
| Henry Hazlitt Foundation                        | 2,500 00  | General operating fund |
| Heartland Institute                             | 5,000 00  | General operating fund |
| Hentage Foundation                              | 75,000 00 | General operating fund |
| Independent Women's Forum                       | 2,500 00  | General operating fund |
| Institute for Humane Studies                    | 2,500 00  | General operating fund |
| Institute for Justice                           | 10,000 00 | General operating fund |
| Institute for Policy Innovation                 | 5,000 00  | General operating fund |
| Institute of Economic Affairs                   | 2,500 00  | General operating fund |
| Intercollegiate Studies Institute               | 50,000 00 | General operating fund |
| Manhattan Institute                             | 2,500 00  | General operating fund |
| George Mason Univ Dept of Economics             | 2,500 00  | General operating fund |
| Media Research Center                           | 1,000 00  | General operating fund |
| Mercatus Center                                 | 5,000 00  | General operating fund |
| Mont Pelerin Society                            | 10,000 00 | General operating fund |
| National Center for Policy Analysis             | 1,000 00  | General operating fund |
| National Center for Public Policy Research      | 1,000 00  | General operating fund |
| National Defense Council Foundation             | 1,000 00  | General operating fund |
| National Right to Work Legal Defense Foundation | 1,000 00  | General operating fund |
| National Taxpayers Union Foundation             | 1,000 00  | General operating fund |
| Pacific Legal Foundation                        | 1,000 00  | General operating fund |
| Pacific Research Institute                      | 5,000 00  | General operating fund |
| PERC  | 10,000 00 | General operating fund |
| Philadelphia Society                            | 7,000 00  | General operating fund |
| Philanthropy Roundtable                         | 5,000 00  | General operating fund |
| Prosperity Institute                            | 2,500 00  | General operating fund |
| Reason Foundation                               | 15,000 00 | General operating fund |
| Tax Foundation                                  | 5,000 00  | General operating fund |
| Toward Tradition                                | 2,500 00  | General operating fund |

The Roe Foundation  
 EIN 23-7011541  
 December 31, 2002  
 Form 990-PF, Part XV - Grants and Contributions Paid During Year

| Organization                             | Amount              | Purpose                 |
|--|---------------------|-------------------------|
| U S English Foundation                   | 1,000 00            | General operating fund  |
| Pacific Research Institute               | 25,000 00           | General operating fund  |
| Free Congress                            | 10,000 00           | General operating fund  |
| Fidelity Charitable Gift Fund            | 80,000 00           | Charitable gift fund    |
| Alabama Family Alliance                  | 5,000 00            | General operating fund  |
| Allegheny Institute for Public Policy    | 5,000 00            | General operating fund  |
| Ethan Allen Institute                    | 5,000 00            | General operating fund  |
| Josiah Bartlett Center for Public Policy | 10,000 00           | General operating fund  |
| Beacon Hill Institute                    | 15,000 00           | General operating fund  |
| Buckeye Institute                        | 0 20,000 00         | General operating fund  |
| Cascade Policy Institute                 | 20,000 00           | General operating fund  |
| Center of the American Experiment        | 10,000 00           | General operating fund  |
| Claremont Institute-Golden State Center  | 10,000 00           | General operating fund  |
| Evergreen Freedom Foundation             | 25,000 00           | General operating fund  |
| Independence Institute                   | 20,000 00           | General operating fund  |
| Indiana Policy Review Foundation         | 20,000 00           | General operating fund  |
| John Locke Foundation                    | 20,000 00           | General operating fund  |
| Mackinac Center for Public Policy        | 25,000 00           | General operating fund  |
| James Madison Institute                  | 20,000 00           | General operating fund  |
| Mississippi Family Council               | 5,000 00            | General operating fund  |
| Oklahoma Council of Public Affairs       | 15,000 00           | General operating fund  |
| Rio Grande Foundation                    | 10,000 00           | General operating fund  |
| South Carolina Policy Council            | 60,000 00           | General operating fund  |
| State Policy Network                     | 60,000 00           | General operating fund  |
| Sutherland Institute                     | 10,000 00           | General operating fund  |
| Texas Public Policy Foundation           | 2,000 00            | General operating fund  |
| Virginia Institute for Public Policy     | 10,000 00           | General operating fund  |
| Washington Policy Center                 | 10,000 00           | General operating fund  |
| Wisconsin Policy Research Institute      | 15,000 00           | General operating fund  |
| Yankee Institute                         | 7,500 00            | General operating fund  |
| The Commonwealth Foundation              | 10,000 00           | General operating fund  |
| Nevada Policy Research Institute         | 10,000 00           | General operating fund  |
| Tennessee Family Institute               | 10,000 00           | General operating fund  |
| Thomas Jefferson Institute               | 10,000 00           | General operating fund  |
| State Policy Network                     | 15,000 00           | Annual meeting expenses |
| Maine Public Policy Institute            | 10,000 00           | General operating fund  |
| Maryland Public Policy Institute         | 10,000 00           | General operating fund  |
| Cancer Society of Greenville Co          | 2,500 00            | General operating fund  |
| Centre Stage South Carolina              | 1,500 00            | General operating fund  |
| Carolina Ballet Theatre                  | 2,500 00            | General operating fund  |
| Museum Association, Inc                  | 1,000 00            | General operating fund  |
| Greenville Council of Garden Clubs       | 2,000 00            | General operating fund  |
| Chrst Church Episcopal School            | 100,000 00          | General operating fund  |
| South Carolina Children's Theatre        | 5,000 00            | General operating fund  |
| Carolina Ballet Theatre                  | 5,000 00            | General operating fund  |
| Greenville Symphony Association          | 15,000 00           | General operating fund  |
| Miracle Hill Ministres                   | 25,000 00           | General operating fund  |
| Furman University Chemistry Department   | 5,000 00            | General operating fund  |
| <b>Total</b>                             | <b>1,143,000.00</b> |                         |

| Description                             | 12/31/01         |                 | 12/31/2002       |                  | 12/31/2001               |                          | 2002            |                         | 12/31/2002               |  |
|---|------------------|-----------------|------------------|------------------|--------------------------|--------------------------|-----------------|-------------------------|--------------------------|--|
|   | Cost             | Additions       | Disposals        | Cost             | Accumulated Depreciation | Accumulated Depreciation | Expense         | Charges to Accumulation | Accumulated Depreciation |  |
| HP LaserJet III Printer                 | 1,397.00         | 0.00            | 0.00             | 1,397.00         | 1,397.00                 |                          | 0.00            |                         | 1,397.00                 |  |
| Wilson Jones Shredder                   | 887.00           | 0.00            | 0.00             | 887.00           | 887.00                   |                          | 0.00            |                         | 887.00                   |  |
| Canon L770 Fax (Crescent)               | 2,751.00         | 0.00            | 0.00             | 2,751.00         | 2,751.00                 |                          | 0.00            |                         | 2,751.00                 |  |
| Canon NP-1020 Copier (Crescent)         | 1,380.00         | 0.00            | 0.00             | 1,380.00         | 1,380.00                 |                          | 0.00            |                         | 1,380.00                 |  |
| 6 Six-Sheif Bookcases                   | 472.44           | 0.00            | 0.00             | 472.44           | 472.44                   |                          | 0.00            |                         | 472.44                   |  |
| Four Drawer FireKing File Cabinet       | 937.13           | 0.00            | 0.00             | 937.13           | 937.13                   |                          | 0.00            |                         | 937.13                   |  |
| 3 Hon Four-Drawer File Cabinets         | 425.10           | 0.00            | 0.00             | 425.10           | 425.10                   |                          | 0.00            |                         | 425.10                   |  |
| 2 Panasonic KXT 3280 Phones             | 293.98           | 0.00            | 0.00             | 293.98           | 293.98                   |                          | 0.00            |                         | 293.98                   |  |
| Canon L7000 Fax                         | 1,990.00         | 0.00            | 0.00             | 1,990.00         | 1,990.00                 |                          | 0.00            |                         | 1,990.00                 |  |
| HP LaserJet IV Printer                  | 1,900.00         | 0.00            | 0.00             | 1,900.00         | 1,900.00                 |                          | 0.00            |                         | 1,900.00                 |  |
| Cassette Fire Proof File                | 209.42           | 0.00            | 0.00             | 209.42           | 209.42                   |                          | 0.00            |                         | 209.42                   |  |
| Bunn Coffeemaker                        | 210.93           | 0.00            | -210.93          | 0.00             | 210.93                   |                          | 0.00            | -210.93                 | 0.00                     |  |
| 2 Six-Sheif Bookcases                   | 136.48           | 0.00            | 0.00             | 136.48           | 136.48                   |                          | 0.00            |                         | 136.48                   |  |
| GE Refrigerator                         | 184.84           | 0.00            | 0.00             | 184.84           | 184.84                   |                          | 0.00            |                         | 184.84                   |  |
| 4-Drawer FireKing File Cabinet          | 787.49           | 0.00            | 0.00             | 787.49           | 787.49                   |                          | 0.00            |                         | 787.49                   |  |
| 4 Drawer Hon File Cabinet               | 150.13           | 0.00            | 0.00             | 150.13           | 150.13                   |                          | 0.00            |                         | 150.13                   |  |
| Used Secretarial Desk                   | 500.00           | 0.00            | 0.00             | 500.00           | 500.00                   |                          | 0.00            |                         | 500.00                   |  |
| Used Credenza - 66"                     | 300.00           | 0.00            | 0.00             | 300.00           | 300.00                   |                          | 0.00            |                         | 300.00                   |  |
| Used Executive Desk                     | 500.00           | 0.00            | 0.00             | 500.00           | 500.00                   |                          | 0.00            |                         | 500.00                   |  |
| Used Credenza - 66"                     | 300.00           | 0.00            | 0.00             | 300.00           | 300.00                   |                          | 0.00            |                         | 300.00                   |  |
| 2 Used Blue Vinyl Arm Chairs            | 181.82           | 0.00            | 0.00             | 181.82           | 181.82                   |                          | 0.00            |                         | 181.82                   |  |
| Used Mahogany & Brass Lamp              | 45.45            | 0.00            | 0.00             | 45.45            | 45.45                    |                          | 0.00            |                         | 45.45                    |  |
| Used Walnut End Table w/drawer          | 86.36            | 0.00            | 0.00             | 86.36            | 86.36                    |                          | 0.00            |                         | 86.36                    |  |
| Used Walnut End Table w/wo shelves      | 88.18            | 0.00            | 0.00             | 88.18            | 88.18                    |                          | 0.00            |                         | 88.18                    |  |
| Walnut Frame w/"Election"               | 88.18            | 0.00            | 0.00             | 88.18            | 88.18                    |                          | 0.00            |                         | 88.18                    |  |
| Walnut Frame w/Pastoral                 | 45.45            | 0.00            | 0.00             | 45.45            | 45.45                    |                          | 0.00            |                         | 45.45                    |  |
| Used Executive Mahogany Arm Chair       | 88.18            | 0.00            | 0.00             | 88.18            | 88.18                    |                          | 0.00            |                         | 88.18                    |  |
| Miscellaneous Asset                     | 136.36           | 0.00            | 0.00             | 136.36           | 136.36                   |                          | 0.00            |                         | 136.36                   |  |
| Used Walnut Chest w/Drawers             | 88.36            | 0.00            | 0.00             | 88.36            | 88.36                    |                          | 0.00            |                         | 88.36                    |  |
| Gold Frame w/Temple                     | 88.18            | 0.00            | 0.00             | 88.18            | 88.18                    |                          | 0.00            |                         | 88.18                    |  |
| Wood Mark Sofa                          | 840.00           | 0.00            | 0.00             | 840.00           | 840.00                   |                          | 0.00            |                         | 840.00                   |  |
| Heckman Wall Unit                       | 1,100.40         | 0.00            | 0.00             | 1,100.40         | 1,100.40                 |                          | 0.00            |                         | 1,100.40                 |  |
| Executive Chair Mat                     | 222.20           | 0.00            | -222.20          | 0.00             | 222.20                   |                          | 0.00            | -222.20                 | 0.00                     |  |
| System Backup                           | 519.75           | 0.00            | 0.00             | 519.75           | 519.75                   |                          | 0.00            |                         | 519.75                   |  |
| Secretarial Chair                       | 314.98           | 0.00            | 0.00             | 314.98           | 314.98                   |                          | 0.00            |                         | 314.98                   |  |
| CTG/Acer Computer                       | 3,463.95         | 0.00            | -3,463.95        | 0.00             | 2,944.36                 |                          | 519.59          | -3,463.95               | 0.00                     |  |
| Panasonic LXT 3280 Phone                | 197.00           | 0.00            | 0.00             | 197.00           | 157.68                   |                          | 39.32           |                         | 197.00                   |  |
| Four-Drawer Hon File Cabinet            | 125.98           | 0.00            | 0.00             | 125.98           | 77.70                    |                          | 25.20           |                         | 102.90                   |  |
| 2 FireKing File Cabinets                | 2,177.18         | 0.00            | 0.00             | 2,177.18         | 1,378.90                 |                          | 435.44          |                         | 1,814.34                 |  |
| 4 Three Sheif Bookcases                 | 209.98           | 0.00            | 0.00             | 209.98           | 129.47                   |                          | 41.99           |                         | 171.48                   |  |
| GE Microwave                            | 115.46           | 0.00            | 0.00             | 115.46           | 71.20                    |                          | 23.08           |                         | 94.28                    |  |
| Panasonic LXT 3280 Phone                | 158.80           | 0.00            | 0.00             | 158.80           | 96.70                    |                          | 31.36           |                         | 128.08                   |  |
| Ricoh Aficio 200 Copier                 | 6,690.80         | 0.00            | 0.00             | 6,690.80         | 4,125.87                 |                          | 1,338.12        |                         | 5,463.99                 |  |
| Used 3-Drawer Lateral File              | 50.00            | 0.00            | 0.00             | 50.00            | 30.00                    |                          | 10.00           |                         | 40.00                    |  |
| Used Brown Leather Upholstered Chair    | 150.00           | 0.00            | 0.00             | 150.00           | 90.00                    |                          | 30.00           |                         | 120.00                   |  |
| 2 Used Green Vinyl Arm Chairs           | 300.00           | 0.00            | 0.00             | 300.00           | 180.00                   |                          | 60.00           |                         | 240.00                   |  |
| Used Wooden Oak Arm Chair               | 75.00            | 0.00            | 0.00             | 75.00            | 45.00                    |                          | 15.00           |                         | 60.00                    |  |
| Used 30" x 60" Walnut Table w/2 Drawers | 250.00           | 0.00            | 0.00             | 250.00           | 150.00                   |                          | 50.00           |                         | 200.00                   |  |
| CTG SuperMicro Computer                 | 3,597.30         | 0.00            | 0.00             | 3,597.30         | 2,158.36                 |                          | 719.46          |                         | 2,877.84                 |  |
| Hewlett Packard Scanjet                 | 472.50           | 0.00            | 0.00             | 472.50           | 283.50                   |                          | 84.50           |                         | 378.00                   |  |
| Toshiba Notebook Computer (Crescent)    | 1,948.78         | 0.00            | 0.00             | 1,948.78         | 324.70                   |                          | 389.78          |                         | 714.48                   |  |
| CZ2N001 Computer (Sandy's)              | 0.00             | 2,992.50        | 0.00             | 2,992.50         | 0.00                     |                          | 99.75           |                         | 99.75                    |  |
| <b>Total</b>                            | <b>39,505.32</b> | <b>2,992.50</b> | <b>-3,697.98</b> | <b>38,600.74</b> | <b>31,696.49</b>         |                          | <b>3,994.35</b> | <b>-3,997.08</b>        | <b>31,793.76</b>         |  |

# Underpayment of Estimated Tax by Corporations

**2002**

▶ See separate instructions  
 ▶ Attach to the corporation's tax return

Name **THE ROE FOUNDATION** Employer identification number **23-7011541**

**Note:** In most cases, the corporation does not need to file Form 2220 (See Part I below for exceptions) The IRS will figure any penalty owed and bill the corporation. If the corporation does not need to file Form 2220, it may still use it to figure the penalty. Enter the amount from line 34 on the estimated tax penalty line of the corporation's income tax return, but do not attach Form 2220.

**Part I Reasons for Filing** - Check the boxes below that apply to the corporation. If any boxes are checked, the corporation must file Form 2220, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty.

- 1  The corporation is using the annualized income installment method
- 2  The corporation is using the adjusted seasonal installment method
- 3  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax

**Part II Figuring the Underpayment**

|   |    |            |            |            |            |
|---|----|------------|------------|------------|------------|
| 4 Total tax (see instructions)  |    |            |            |            | 4,264.     |
| 5 a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 4  | 5a |            |            |            |            |
| b Look back interest included on line 4 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method   | 5b |            |            |            |            |
| c Credit for Federal tax paid on fuels (see instructions)   | 5c |            |            |            |            |
| d Total Add lines 5a through 5c   | 5d |            |            |            |            |
| 6 Subtract line 5d from line 4. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty.  | 6  |            |            |            | 4,264.     |
| 7 Enter the tax shown on the corporation's 2001 income tax return (see instructions). Caution: If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 6 on line 8.  | 7  |            |            |            | 17,700.    |
| 8 Enter the smaller of line 6 or line 7. If the corporation is required to skip line 7, enter the amount from line 6.   | 8  |            |            |            | 4,264.     |
| 9 <b>Installment due dates</b> Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers Use 5th month), 6th, 9th, and 12th months of the corporation's tax year.  | 9  | (a)        | (b)        | (c)        | (d)        |
|   |    | 05/15/2002 | 06/15/2002 | 09/15/2002 | 12/15/2002 |
| 10 <b>Required installments</b> If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, line 40. If the box on line 3 (but not 1 or 2) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 8 above in each column. | 10 | 1,066.     | 1,066.     | 1,066.     | 1,066.     |
| 11 <b>Estimated tax paid or credited for each period</b> (see instructions). For column (a) only, enter the amount from line 11 on line 15. Complete lines 12 through 18 of one column before going to the next column.   | 11 | 3,000.     | 1,000.     | 5,000.     |            |
| 12 Enter amount, if any, from line 18 of the preceding column.  | 12 |            | 1,934.     | 1,868.     | 5,802.     |
| 13 Add lines 11 and 12.   | 13 |            | 2,934.     | 6,868.     | 5,802.     |
| 14 Add amounts on lines 16 and 17 of the preceding column.  | 14 |            |            |            |            |
| 15 Subtract line 14 from line 13. If zero or less, enter -0-.   | 15 | 3,000.     | 2,934.     | 6,868.     | 5,802.     |
| 16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-.   | 16 |            |            |            |            |
| 17 <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18.  | 17 |            |            |            |            |
| 18 <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column.   | 18 | 1,934.     | 1,868.     | 5,802.     |            |

Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.

For Paperwork Reduction Act Notice, see separate instructions

Form 2220 (2002)

**Part III Figuring the Penalty**

|   | (a)       | (b) | (c) | (d)       |
|---|-----------|-----|-----|-----------|
| <b>19</b> Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions) <i>(Form 990-PF and Form 990-T filers Use 5th month instead of 3rd month)</i> . . . . . | <b>19</b> |     |     |           |
| <b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19 . . . . .  | <b>20</b> |     |     |           |
| <b>21</b> Number of days on line 20 after 4/15/2002 and before 1/1/2003 . . . . .   | <b>21</b> |     |     |           |
| <b>22</b> Underpayment on line 17 x <u>Number of days on line 21</u> x 6%<br>365  | <b>22</b> |     |     |           |
| <b>23</b> Number of days on line 20 after 12/31/2002 and before 4/1/2003 . . . . .  | <b>23</b> |     |     |           |
| <b>24</b> Underpayment on line 17 x <u>Number of days on line 23</u> x 5%<br>365  | <b>24</b> |     |     |           |
| <b>25</b> Number of days on line 20 after 3/31/2003 and before 7/1/2003 . . . . .   | <b>25</b> |     |     |           |
| <b>26</b> Underpayment on line 17 x <u>Number of days on line 25</u> x %<br>365   | <b>26</b> |     |     |           |
| <b>27</b> Number of days on line 20 after 6/30/2003 and before 10/1/2003 . . . . .  | <b>27</b> |     |     |           |
| <b>28</b> Underpayment on line 17 x <u>Number of days on line 27</u> x %<br>365   | <b>28</b> |     |     |           |
| <b>29</b> Number of days on line 20 after 9/30/2003 and before 1/1/2004 . . . . .   | <b>29</b> |     |     |           |
| <b>30</b> Underpayment on line 17 x <u>Number of days on line 29</u> x %<br>365   | <b>30</b> |     |     |           |
| <b>31</b> Number of days on line 20 after 12/31/2003 and before 2/16/2004 . . . . .   | <b>31</b> |     |     |           |
| <b>32</b> Underpayment on line 17 x <u>Number of days on line 31</u> x %<br>366   | <b>32</b> |     |     |           |
| <b>33</b> Add lines 22 24 26 28, 30 and 32 . . . . .  | <b>33</b> |     |     |           |
| <b>34</b> <b>Penalty</b> Add columns (a) through (d), of line 33 Enter the total here and on Form 1120, line 33, Form 1120-A, line 29, or the comparable line for other income tax returns . . . . .                                  |           |     |     | <b>34</b> |

\*For underpayments paid after March 31, 2003. For lines 26, 28, 30, and 32, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS Web Site at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-1040 to get interest rate information.

**Schedule A Annualized Income Installment Method and/or the Adjusted Seasonal Installment Method Under Section 8655(e)**  
(see instructions)

Form 1120S filers For lines 2, 14, 15, and 16, below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under section 1374(a) (or the corresponding provisions of prior law), whichever applies

| Part I - Annualized Income Installment Method |   | (a)                      | (b)                      | (c)                      | (d)                      |          |
|---|---|--------------------------|--------------------------|--------------------------|--------------------------|----------|
|   |   | First <u>2</u><br>months | First <u>3</u><br>months | First <u>6</u><br>months | First <u>9</u><br>months |          |
| 1   | Annualization periods (see instructions)  | 1                        |                          |                          |                          |          |
| 2   | Enter taxable income for each annualization period (see instructions)   | 2                        | 197,988.                 | 342,492.                 | 578,142.                 | 394,724. |
| 3   | Annualization amounts (see instructions)  | 3                        | 6.00000                  | 4.00000                  | 2.00000                  | 1.33333  |
| 4   | Annualized taxable income Multiply line 2 by line 3   | 4                        | 1,187,928.               | 1,369,968.               | 1,156,284.               | 526,297. |
| 5   | Figure the tax on the amount in each column on line 4 using the instructions for Form 1120, Schedule J, line 3 (or the comparable line of the tax return) | 5                        | 11,879.                  | 13,700.                  | 11,563.                  | 5,263.   |
| 6   | Enter any alternative minimum tax and other taxes for each payment period (see instructions)  | 6                        |                          |                          |                          |          |
| 7   | Total tax Add lines 5 and 6   | 7                        | 11,879.                  | 13,700.                  | 11,563.                  | 5,263.   |
| 8   | For each period, enter the same type of credits as allowed on Form 2220, lines 4 and 5c (see instructions)  | 8                        |                          |                          |                          |          |
| 9   | Total tax after credits Subtract line 8 from line 7 If zero or less, enter -0-  | 9                        | 11,879.                  | 13,700.                  | 11,563.                  | 5,263.   |
| 10  | Applicable percentage   | 10                       | 25%                      | 50%                      | 75%                      | 100%     |
| 11  | Multiply line 9 by line 10  | 11                       | 2,970.                   | 6,850.                   | 8,672.                   | 5,263.   |
| 12  | Add the amounts in all preceding columns of line 40 (see instructions)  | 12                       |                          | 1,066.                   | 2,132.                   | 3,198.   |
| 13  | Annualized income installments Subtract line 12 from line 11 If zero or less, enter -0-   | 13                       | 2,970.                   | 5,784.                   | 6,540.                   | 2,065.   |

**Part II - Adjusted Seasonal Installment Method (Caution: Use this method only if the base period percentage for any 6 consecutive months is at least 70% See instructions for more information )**

|    |  | (a)               | (b)               | (c)               | (d)                |
|----|--|-------------------|-------------------|-------------------|--------------------|
|    |  | First 3<br>months | First 5<br>months | First 8<br>months | First 11<br>months |
| 14 | Enter taxable income for the following periods                                       |                   |                   |                   |                    |
|    | a Tax year beginning in 1999   | 14a               |                   |                   |                    |
|    | b Tax year beginning in 2000   | 14b               |                   |                   |                    |
|    | c Tax year beginning in 2001   | 14c               |                   |                   |                    |
| 15 | Enter taxable income for each period for the tax year beginning in 2002              | 15                |                   |                   |                    |
|    |  | First 4<br>months | First 6<br>months | First 9<br>months | Entire year        |
| 16 | Enter taxable income for the following periods                                       |                   |                   |                   |                    |
|    | a Tax year beginning in 1999   | 16a               |                   |                   |                    |
|    | b Tax year beginning in 2000   | 16b               |                   |                   |                    |
|    | c Tax year beginning in 2001   | 16c               |                   |                   |                    |
| 17 | Divide the amount in each column on line 14a by the amount in column (d) on line 16a | 17                |                   |                   |                    |
| 18 | Divide the amount in each column on line 14b by the amount in column (d) on line 16b | 18                |                   |                   |                    |
| 19 | Divide the amount in each column on line 14c by the amount in column (d) on line 16c | 19                |                   |                   |                    |

|    |   | (a)            | (b)            | (c)            | (d)         |
|----|---|----------------|----------------|----------------|-------------|
|    |   | First 4 months | First 6 months | First 9 months | Entire year |
| 20 | Add lines 17 through 19   | 20             |                |                |             |
| 21 | Divide line 20 by 3   | 21             |                |                |             |
| 22 | Divide line 15 by line 21   | 22             |                |                |             |
| 23 | Figure the tax on the amount on line 22 using the instructions for Form 1120 Schedule J line 3 (or the comparable line of the return)                   | 23             |                |                |             |
| 24 | Divide the amount in columns (a) through (c) on line 16a by the amount in column (d) on line 16a  | 24             |                |                |             |
| 25 | Divide the amount in columns (a) through (c) on line 16b by the amount in column (d) on line 16b  | 25             |                |                |             |
| 26 | Divide the amount in columns (a) through (c) on line 16c by the amount in column (d) on line 16c  | 26             |                |                |             |
| 27 | Add lines 24 through 26   | 27             |                |                |             |
| 28 | Divide line 27 by 3   | 28             |                |                |             |
| 29 | Multiply the amount in columns (a) through (c) of line 23 by columns (a) through (c) of line 28. In column (d) enter the amount from line 23 column (d) | 29             |                |                |             |
| 30 | Enter any alternative minimum tax and other taxes for each payment period (see instructions)  | 30             |                |                |             |
| 31 | Total tax. Add lines 29 and 30  | 31             |                |                |             |
| 32 | For each period enter the same type of credits as allowed on Form 2220 lines 4 and 5c (see instructions)  | 32             |                |                |             |
| 33 | Total tax after credits. Subtract line 32 from line 31. If zero or less, enter -0-  | 33             |                |                |             |
| 34 | Add the amounts in all preceding columns of line 40 (see instructions)  | 34             |                |                |             |
| 35 | Adjusted seasonal installments. Subtract line 34 from line 33. If zero or less, enter -0-   | 35             |                |                |             |

**Part III - Required Installments**

|    |  | 1st installment | 2nd installment | 3rd installment | 4th installment |        |
|----|--|-----------------|-----------------|-----------------|-----------------|--------|
| 36 | If only one of the above parts is completed enter the amount in each column from line 13 or line 35. If both parts are completed enter the smaller of the amounts in each column from line 13 or line 35 | 36              | 2,970.          | 5,784.          | 6,540.          | 2,065. |
| 37 | Enter 25% of line 8 on page 1 of Form 2220 in each column (Note "Large corporations," see the instructions for line 10 for the amounts to enter.)  | 37              | 1,066.          | 1,066.          | 1,066.          | 1,066. |
| 38 | Subtract line 40 of the preceding column from line 39 of the preceding column  | 38              |                 |                 |                 |        |
| 39 | Add lines 37 and 38  | 39              | 1,066.          | 1,066.          | 1,066.          | 1,066. |
| 40 | Required installments. Enter the smaller of line 36 or line 39 here and on page 1 of Form 2220 line 10   | 40              | 1,066.          | 1,066.          | 1,066.          | 1,066. |

# Capital Gains and Losses

▶ Attach to Form 1041 (or Form 5227) See the separate instructions for Form 1041 (or Form 5227)

**2002**

Name of estate or trust

Employer identification number

**THE ROE FOUNDATION**

**23-7011541**

Note: Form 5227 filers need to complete only Parts I and II

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

| (a) Description of property<br>(Example 100 shares 7% preferred of "Z" Co) | (b) Date acquired<br>(mo day, yr)  | (c) Date sold<br>(mo day, yr) | (d) Sales price | (e) Cost or other basis<br>(see page 31) | (f) Gain or (Loss)<br>(col (d) less col (e)) |
|--|--|-------------------------------|-----------------|--|--|
| 1  |  |                               |                 |  |  |
| 2  | Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824  |                               |                 |  | 2  |
| 3  | Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts                         |                               |                 |  | 3  |
| 4  | Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2001 Capital Loss Carryover Worksheet |                               |                 |  | 4 ( )  |
| 5  | Net short-term gain or (loss) Combine lines 1 through 4 in column (f) Enter here and on line 14 below ▶              |                               |                 |  | 5  |

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

| (a) Description of property<br>(Example 100 shares 7% preferred of "Z" Co) | (b) Date acquired<br>(mo day, yr)   | (c) Date sold<br>(mo day, yr) | (d) Sales price | (e) Cost or other basis<br>(see page 31) | (f) Gain or (Loss)<br>(col (d) less col (e)) | (g) 28% Rate Gain or (Loss)<br>*(see instr below) |
|--|---|-------------------------------|-----------------|--|--|---|
| 6  | SEE STATEMENT 1   |                               | 4,134,169       | 4,107,527                                | 26,642                                       | NONE  |
| 7  | Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824  |                               |                 |  | 7  |   |
| 8  | Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts   |                               |                 |  | 8  |   |
| 9  | Capital gain distributions  |                               |                 |  | 9  |   |
| 10   | Gain from Form 4797, Part I   |                               |                 |  | 10   |   |
| 11   | Long-term capital loss carryover Enter in both columns (f) and (g) the amount, if any, from line 14, of the 2001 Capital Loss Carryover Worksheet |                               |                 |  | 11 ( ) ( )                                   |   |
| 12   | Combine lines 6 through 11 in column (g)  |                               |                 |  | 12   |   |
| 13   | Net long-term gain or (loss). Combine lines 6 through 11 in column (f) Enter here and on line 15 below ▶  |                               |                 |  | 13   | 26,642  |

\*28% rate gain or loss includes all "collectibles gains and losses" (as defined on page 31 of the instructions) and up to 50% of the eligible gain on qualified small business stock (see page 30 of the instructions)

**Part III Summary of Parts I and II**

|  | (1) Beneficiaries' (see page 32) | (2) Estate's or trust's | (3) Total |
|--|----------------------------------|-------------------------|-----------|
| 14 Net short-term gain or (loss) (from line 5 above)                       | 14                               |                         |           |
| 15 Net long-term gain or (loss)  |                                  |                         |           |
| a Total for year (from line 13 above)                                      | 15a                              |                         | 26,642    |
| b 28% rate gain or (loss) (from line 12 above)                             | 15b                              |                         |           |
| c Qualified 5 - year gain  | 15c                              |                         |           |
| d Unrecaptured section 1250 gain (see line 17 of the worksheet on page 33) | 15d                              |                         |           |
| 16 Total net gain or (loss) Combine lines 14 and 15a ▶                     | 16                               |                         | 26,642    |

Note If line 16 column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 15a and 16, column (2), are net gains, go to Part V, and do not complete Part IV. If line 16, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.



**Part IV Capital Loss Limitation**

|  |                                  |
|--|----------------------------------|
| <b>17</b> Enter here and enter as a (loss) on Form 1041, line 4, the smaller of<br>a The loss on line 16, column (3) or<br>b \$3,000 | <b>17</b> (                    ) |
|--|----------------------------------|

If the loss on line 16, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 34 of the instructions to determine your capital loss carryover

**Part V Tax Computation Using Maximum Capital Gains Rates** (Complete this part only if both lines 15a and 16 in column (2) are gains, and Form 1041, line 22 is more than zero)

**Note:** If line 15b, column (2) or line 15d, column (2) is more than zero, complete the worksheet on page 35 of the instructions to figure the amount to enter on lines 20 and 38 below and skip all other lines below. Otherwise, go to line 18

|  |           |           |  |
|--|-----------|-----------|--|
| <b>18</b> Enter taxable income from Form 1041, line 22   | <b>18</b> |           |  |
| <b>19</b> Enter the smaller of line 15a or 16 in column (2)  | <b>19</b> |           |  |
| <b>20</b> If the estate or trust is filing Form 4952, enter the amount from line 4e, otherwise, enter -0- ▶  | <b>20</b> |           |  |
| <b>21</b> Subtract line 20 from line 19. If zero or less, enter -0-  | <b>21</b> |           |  |
| <b>22</b> Subtract line 21 from line 18. If zero or less, enter -0-  | <b>22</b> |           |  |
| <b>23</b> Figure the tax on the amount on line 22. Use the 2002 Tax Rate Schedule on page 21 of the instructions.                                    |           | <b>23</b> |  |
| <b>24</b> Enter the smaller of the amount on line 18 or \$1,850  | <b>24</b> |           |  |
| <b>If line 24 is greater than line 22, go to line 25. Otherwise, skip lines 25 through 31 and go to line 32</b>                                      |           |           |  |
| <b>25</b> Enter the amount from line 22  | <b>25</b> |           |  |
| <b>26</b> Subtract line 25 from line 24. If zero or less, enter -0- and go to line 32  | <b>26</b> |           |  |
| <b>27</b> Enter the estate's or trust's allocable portion of qualified 5-year gain, if any, from line 15c, column (2)                                | <b>27</b> |           |  |
| <b>28</b> Enter the smaller of line 26 or line 27  | <b>28</b> |           |  |
| <b>29</b> Multiply line 28 by 8% (.08)   |           | <b>29</b> |  |
| <b>30</b> Subtract line 28 from line 26  | <b>30</b> |           |  |
| <b>31</b> Multiply line 30 by 10% (.10)  |           | <b>31</b> |  |
| <b>If the amounts on lines 21 and 26 are the same, skip lines 32 through 35 and go to line 36</b>  |           |           |  |
| <b>32</b> Enter the smaller of line 18 or line 21  | <b>32</b> |           |  |
| <b>33</b> Enter the amount, if any, from line 26   | <b>33</b> |           |  |
| <b>34</b> Subtract line 33 from line 32  | <b>34</b> |           |  |
| <b>35</b> Multiply line 34 by 20% (.20)  |           | <b>35</b> |  |
| <b>36</b> Add lines 23, 29, 31, and 35   |           | <b>36</b> |  |
| <b>37</b> Figure the tax on the amount on line 18. Use the 2002 Tax Rate Schedule on page 21 of the instructions                                     |           | <b>37</b> |  |
| <b>38</b> Tax on all taxable income (including capital gains). Enter the smaller of line 36 or line 37 here and on line 1a of Schedule G, Form 1041. |           | <b>38</b> |  |

THE ROE FOUNDATION  
 Schedule D Detail of Long-term Capital Gains and Losses

| Description  | Date Acquired | Date Sold | Gross Sales Price | Cost or Other Basis | Long-term Gain/Loss |
|--|---------------|-----------|-------------------|---------------------|---------------------|
| <b>CAPITAL GAINS (LOSSES) HELD FOR INVESTMENT PURPOSES</b>       |               |           |                   |                     |                     |
| BERNSTEIN  | VARIOUS       | VARIOUS   | 563,402.          | 668,362.            | -104,960.           |
| RUANE CUNNIFF  | VARIOUS       | VARIOUS   | 1,086,167.        | 700,167.            | 386,000.            |
| WACHOVIA   | VARIOUS       | VARIOUS   | 1,476,856.        | 2,013,020.          | -536,164.           |
| WEDGE  | VARIOUS       | VARIOUS   | 817,948.          | 725,978.            | 91,970.             |
| SUNTRUST   | VARIOUS       | VARIOUS   | 172.              | NONE                | 172.                |
| PIMCO  | VARIOUS       | VARIOUS   | 189,624.          | NONE                | 189,624.            |
| <b>TOTAL CAPITAL GAINS (LOSSES) HELD FOR INVESTMENT PURPOSES</b> |               |           |                   |                     |                     |
|  |               |           | 4,134,169.        | 4,107,527.          | 26,642.             |
|  |               |           |                   |                     |                     |
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|  |               |           |                   |                     |                     |
|  |               |           |                   |                     |                     |
| <b>Totals</b>  |               |           | 4,134,169.        | 4,107,527.          | 26,642.             |