

Return of Private Foundation
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

OMB No. 1545-0047

1996

199706

For calendar year 1996, or tax year beginning 7/ 1, 1996, and ending 6/30, 19 97

Use the IRS label Otherwise, please print or type. See Specific Instructions.	Name of organization JOHN WILLIAM POPE FOUNDATION Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 3401 GRESHAM LAKE ROAD City or town, state, and ZIP code RALEIGH, NC 27615	A Employer identification number 58-1691765 B State registration number (see instruction F) NORTH CAROLINA C If exemption application is pending, check here <input type="checkbox"/> D 1 Foreign organizations, check here <input type="checkbox"/> 2 Organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F Month termination check here <input type="checkbox"/> Year <input type="checkbox"/> (d) Disbursements for charitable purposes (cash basis only)
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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) ▶ \$ **23,520,347.** (Part I, column (d) must be on cash basis)
 J Accounting method Cash Accrual
 Other (specify) _____

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)	402,407.			
2 Contributions from split-interest trusts				
3 Interest on savings and cash investments	6,590.	6,590.		
4 Dividends and interest from securities	38,795.	38,795.		
5a Gross rents				
b (Net rental income or (loss))				
6 Net gain or (loss) from sale of assets not on line 10	850,450.			
7 Capital gain net income (from Part IV, line 2)		850,450.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total (add lines 1 through 11)	1,298,242.	895,835.		
13 Compensation of officers, directors, trustees, etc	32,220.	0.		32,220.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees				
c Other professional fees				
17 Interest				
18 Taxes Stmt 3	27,495.	27,495.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses Stmt 4	4,424.	4,424.		0.
24 Total operating and administrative expenses (add lines 13 through 23)	64,139.	31,919.		32,220.
25 Contributions, gifts, grants paid	1,028,000.			1,028,000.
26 Total expenses and disbursements (add lines 24 and 25)	1,092,139.	31,919.		1,060,220.
27a Excess of revenue over expenses and disbursements (line 12 minus line 26)	206,103.			
b Net investment income (if negative, enter "-0-")		863,916.		
c Adjusted net income (if negative, enter "-0-")			N/A	

AUG 9 2005

TPR BRANCH
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RECEIVED IN CORRES
IRS - OSC - 504

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OGDEN, UTAH

AUG 10 '05

SCANNED AUG 17 2005 Revenue

Operating and Administrative Expenses

LHA For Paperwork Reduction Act Notice, see page 1 of the instructions.

RCVD IN BATCHING AUG 12 2005

Form 990-PF (1996)

623501 12-13-96

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	6,623.	23,667.	23,667.
	2 Savings and temporary cash investments	114,988.	116,285.	116,285.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock Stmt 5	134,081.	321,843.	23,380,395.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	255,692.	461,795.	23,520,347.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
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 ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds	0.	0.	
28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	255,692.	461,795.		
30 Total net assets or fund balances	255,692.	461,795.		
31 Total liabilities and net assets/fund balances	255,692.	461,795.		

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	255,692.
2 Enter amount from Part I, line 27a	2	206,103.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	461,795.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	461,795.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a CDI STOCK (COMMON)	D	VARIOUS	VARIOUS
b			
c			
d			
e			

(e) Gross sales price minus expense of sale	(f) Depreciation allowed (or allowable)	(g) Cost or other basis	(h) Gain or (loss) (e) plus (f) minus (g)
a 865,095.	0.	14,645.	850,450.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			850,450.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	850,450.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8 }	3	N/A

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 instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
1995	865,711.	5,994,704.	.1444126
1994	687,221.	4,884,455.	.1406955
1993	594,241.	1,904,453.	.3120271
1992	355,448.	958,362.	.3708912
1991	320,305.	867,196.	.3693571

2 Total of line 1, column (d)	2	1.3373835
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.2674767
4 Enter the net value of noncharitable-use assets for 1996 from Part X, line 5	4	8,914,944.
5 Multiply line 4 by line 3	5	2,384,540.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,639.
7 Add lines 5 and 6	7	2,393,179.
8 Enter qualifying distributions from Part XII, line 4	8	1,060,220.

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

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

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, domestic organizations, tax under section 511, and credits/payments. Total tax due is 9,278.

Part VII-A Statements Regarding Activities

Table with 11 rows for activity statements. Includes questions about political campaigns, unrelated business income, and substantial contributors. Includes 'Yes/No' columns and specific answers like '0' and 'N/A'.

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 details, Yes, and No. Rows include sections 1 (Self-dealing), 2 (Taxes on failure to distribute income), 3 (Taxes on excess business holdings), 4 (Taxes on investments that jeopardize charitable purposes), and 5 (Taxes on taxable expenditures).

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:

(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
JOYCE W. POPE	CHAIRMAN/DIRECTOR			
3401 GRESHAM LAKE ROAD, RALEIGH, NC	0	0.	0.	0.
JAMES ARTHUR POPE	PRESIDENT/DIRECTOR			
3401 GRESHAM LAKE ROAD, RALEIGH, NC	15	32,220.	0.	0.
JOHN W. POPE, JR.	VICE PRES/DIRECTOR			
3401 GRESHAM LAKE ROAD, RALEIGH, NC	0	0.	0.	0.
AMANDA JOYCE POPE	DIRECTOR			
3401 GRESHAM LAKE ROAD, RALEIGH, NC	0	0.	0.	0.

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

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

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

3 Five highest- paid Independent Contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe any program-related investments made by the foundation during the tax year	Amount
1 N/A	
2	
3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a Average monthly fair market value of securities	1a	8,710,026.
b Average of monthly cash balances	1b	340,679.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	9,050,705.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Line 1d minus line 2	3	9,050,705.
4 Cash deemed held for charitable activities - Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	135,761.
5 Net value of noncharitable-use assets - Line 3 minus line 4 (Enter in Part V, line 4)	5	8,914,944.
6 Minimum investment return. (Enter 5% of line 5)	6	445,747.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part)

1 Minimum investment return from Part X, line 6		1	445,747.
2a Tax on investment income for 1996 from Part VI, line 5	2a	17,278.	
b Income tax for 1996 (This does not include the tax from Part VI)	2b		
c Line 2a plus line 2b	2c		17,278.
3 Distributable amount before adjustments (line 1 minus line 2c)	3		428,469.
4a Recoveries of amounts treated as qualifying distributions	4a	0.	
b Income distributions from section 4947(a)(2) trusts	4b	0.	
c Line 4a plus line 4b	4c		0.
5 Line 3 plus line 4c	5		428,469.
6 Deduction from distributable amount	6		0.
7 Distributable amount as adjusted (line 5 minus line 6) (Also enter in Part XIII, line 1)	7		428,469.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	1,060,220.
b Program-related investments - total of lines 1-3 of Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions (add lines 1a through 3b) (Enter in Part V, line 8, and Part XIII, line 4)	4	1,060,220.
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	5	0.
6 Adjusted qualifying distributions (line 4 minus line 5)	6	1,060,220.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 1995	(c) 1995	(d) 1996
1 Distributable amount for 1996 from Part XI, line 7				428,469.
2 Undistributed income, if any, as of the end of 1995				
a Enter amount for 1995 only			0.	
b Total for prior years 19 __, 19 __, 19 __		0.		
3 Excess distributions carryover, if any, to 1996				
a From 1991	277,894.			
b From 1992	307,606.			
c From 1993	496,938.			
d From 1994	454,316.			
e From 1995	582,546.			
f Total of lines 3a through e	2,119,300.			
4 Qualifying distributions for 1996 from Part XII, line 4 ▶ \$ 1,060,220.				
a Applied to 1995, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 1996 distributable amount				428,469.
e Remaining amount distributed out of corpus	631,751.			
5 Excess distributions carryover applied to 1996 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	2,751,051.			
b Prior years' undistributed income (line 2b minus line 4b)		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 1995 (line 2a minus line 4a) Taxable amount - see instr			0.	
f Undistributed income for 1996 (line 1 minus lines 4d and 5) This amount must be distributed in 1997				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 1991 not applied on line 5 or line 7	277,894.			
9 Excess distributions carryover to 1997 (line 6a minus lines 7 and 8)	2,473,157.			
10 Analysis of line 9				
a Excess from 1992	307,606.			
b Excess from 1993	496,938.			
c Excess from 1994	454,316.			
d Excess from 1995	582,546.			
e Excess from 1996	631,751.			

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1996, 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) 1996	(b) 1995	(c) 1994	(d) 1993	
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 (line 2c minus line 2d)					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

None

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

None

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

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc., 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

JAMES ARTHUR POPE (919) 876-6000
3401 GRESHAM LAKE ROAD, RALIEGH, NC 27615

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

c Any submission deadlines

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

NO FORMAL RESTRICTIONS

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a Paid during the year</p> <p>SEE ATTACHED</p>				
Total				▶ 3a 0.
<p>b Approved for future payment</p> <p>NONE</p>				
Total				▶ 3b 0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
(a) _____					
(b) _____					
(c) _____					
(d) _____					
(e) _____					
(f) _____					
(g) Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	6,590.	
4 Dividends and interest from securities			14	38,795.	
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	850,450.	
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))		0.		895,835.	0.
13 TOTAL (add line 12, columns (b), (d), and (e))				► 13 895,835.	

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

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

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

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 or equipment (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 columns Yes and No. Rows include 1a(1), a(2), b(1), b(2), b(3), b(4), b(5), b(6), and c. All 'No' boxes are checked with an 'X'.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

2a 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 [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

Part XVIII Public Inspection

- 1 Enter the date the notice of availability of the annual return appeared in a newspaper -> 07/15/05
2 Enter the name of the newspaper -> SEE ATTACHED
3 Check here [X] to indicate that you have attached a copy of the newspaper notice required by the instructions. (If the notice is not attached, the return will be considered incomplete.)

Signature section with fields for Signature of officer or trustee (John Arthur Pope), Preparer's signature (David Jesperson), and Firm's name (GOSPODAREK, CPA, PA, 4101 LAKE BOONE TRAIL, RALEIGH, NC).

**JOHN WILLIAM POPE FOUNDATION
REQUEST FOR PENALTY ABATEMENT
58-1691765**

The taxpayer hereby requests an abatement of all tax penalties for reasonable cause.

For the period from 1996 to early 1999 the taxpayer employed only one part time officer, the President of the Foundation. For the rest of 1999 to present, the taxpayer has had no employees, but relied on volunteer officers, including the President serving as a volunteer without compensation.

The initial delay in filing a timely return for the Fiscal Year Ending June 30, 1996, was due to the interruption caused by Hurricane Fran, which interrupted the major business of the President and kept him from performing the tax filing duties for this Foundation on a timely basis. Furthermore, the President of the Foundation was experiencing personal problems, including a separation from his wife in June, 1996; divorce in 1997; and on going custody issues, that later resulted in his daughter residing solely with him.

Due to the initial failure to file the 6/30/96 return on a timely basis, subsequent returns could not be filed on a timely basis.

Upon beginning the preparation of the returns, errors were discovered in the accounting of the cost basis for donated marketable securities (the donor's original transfer basis rather than the fair market value on the date of donation), and additional time was required to trace the donor's original cost basis for several substantial donations of marketable securities.

While this return was not filed on a timely basis, the return has now been filed with the proper cost basis of the donated marketable securities and reporting of any resulting capital gain, and the return shows that the taxpayer greatly exceeded the primary requirement of making qualified grants of greater than five percent of its corpus.

For these reasons, a waiver of the penalties for reasonable cause is respectfully requested.

JOHN WILLIAM POPE FOUNDATION
E.I.N. 58-1691765
1996 FORM PF-990
PART XV, LINE 3A, GRANTS CONTRIBUTIONS

<u>Recipient</u>	<u>Relation Status</u>	<u>Purpose</u>	<u>Amount</u>
Accuracy in Academia 4455 Conecticut Avenue, NW Washington, DC 20008	None Public	Grant, Unrestricted	\$1,000.00
Alexis de Tocqueville 2000 15th St. North, Suite 501 Arlington, VA 22201	None Public	Grant, Unrestricted	\$10,000.00
American Academy for Liberal Education 1050 17th Street, NW, Suite 400 Washington, DC 20036	None Public	Grant, Unrestricted	\$5,000.00
American Cancer Society P.O. Box 102454 Atlanta, GA 30368	None Public	Grant, Unrestricted	\$1,000.00
American Conservative Union Foundation 1007 Cameron Street Alexandria, VA 22314	None Public	Grant, Unrestricted	\$5,000.00
American Conservative Union Foundation 1007 Cameron Street Alexandria, VA 22314	None Public	Grant, Restricted	\$5,000.00
Americans for Tax Reform Foundation 1920 L Street, NW, Suite 200 Washington, DC 20036	None Public	Grant, Unrestricted	\$5,000.00
Atlas Economic Research Foundation 4048 University Drive, Suite 103 Fairfax, VA 22030-6812	None Public	Grant, Unrestricted	\$20,000.00
Capitol Research Center 72715th. St., NW 8th Floor Washington, DC 20005-1599	None Public	Grant, Unrestricted	\$10,000.00
Carolina Ballet Theatre 887-B Washington Street Raleigh, NC 27605	None Public	Grant, Unrestricted	\$1,000.00

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<u>Recipient</u>	<u>Relation Status</u>	<u>Purpose</u>	<u>Amount</u>
Carolina Fund P.O. Box 309 Chapel Hill, NC 27514	None Public	Restricted Carolina Review	\$1,000.00
Cato Institute, The 1000 Massachusetts Avenue, NW Washington, DC 20001-5430	None Public	Grant, Unrestricted	\$500.00
Cato Institute, The 1000 Massachusetts Avenue, NW Washington, DC 20001-5430	None Public	Grant, Unrestricted	\$40,000.00
Center for Education Reform 1001 Conecticut Avenue, NW, Suite 204 Washington, DC 20036	None Public	Grant, Unrestricted	\$5,000.00
Center for Individual Rights 1300 Ninth Street, NW, Suite 260 Washington, DC 20036	None Public	Grant, Unrestricted	\$5,000.00
Center for Study of Public Choice - George Mason Univ 4400 University Drive, MSN 1D3 Fairfax, VA 22030-4444	None Public	Grant, Unrestricted	\$1,000.00
Chi Phi Fraternity Peachtree Road, NE, Suite 1011 Atlanta, GA 30326	None Public	Grant, Unrestricted	\$500.00
Citizens for a Sound Economy 1250 H Street, NW Washington, DC 20005-3908	None Public	Grant, Unrestricted	\$35,000.00
Citizens for a Sound Economy 1250 H Street, NW Washington, DC 20005-3908	None Public	Grant, Unrestricted	\$40,000.00
Competitive Enterprise Institute Pennsylvania Avenue, SE Washington, DC 20003	None Public	Grant, Unrestricted	\$5,000.00

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Council for National Policy 311 Massachusetts Ave, NE Washington, DC 20036	None Public	Grant, Unrestricted	\$2,500.00
Defenders of Property Rights 6235 33rd Street, NW Washington, DC 20015	None Public	Grant, Unrestricted	\$5,000.00
Eagle Forum Education Center P.O. Box 618 Alton, IL 62002	None Public	Grant, Unrestricted	\$5,000.00
Education and Research Institute 800 Maryland Avenue, NE Washington, DC 20002	None Public	Grant, Unrestricted	\$2,500.00
Family Research Council 700 Thirteenth Street, NW, Suite 500 Washington, DC 20005	None Public	Grant, Unrestricted	\$5,000.00
Foundation for Economic Education, Inc. 30 South Broadway Irvington-On-Hudson, NY 10533	None Public	Grant, Unrestricted	\$1,000.00
Frankie Lemmon School Glenwood Avenue Raleigh, NC 27608	None Public	Grant, Unrestricted	\$1,000.00
Free Congress Foundation 717 Second Street, NW Washington, DC 20002	None Public	Grant, Unrestricted	\$10,000.00
Free Nation Foundation 111 West Corbin Street Hillsborough, NC 27278	None Public	Grant, Unrestricted	\$500.00
Friends of the NC Symphony P.O. Box 28026 Raleigh, NC 27611	None Public	Grant, Unrestricted	\$10,000.00

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Fuquay-Varina Area Education Fdtn. P.O. Box 156 Fuquay-Varina, NC 27526	None Public	Grant, Unrestricted	\$1,000.00
Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC 20036	None Public	Grant, Unrestricted	\$45,000.00
Hillsdale College Hillsdale College Hillsdale, Michigan 49242	None Public	Grant, Unrestricted	\$1,000.00
Hudson College Herman Kahn Center, P.O. Box 26-919 Indianapolis, IN	None Public	Grant, Unrestricted	\$1,000.00
Institute for Children 110 Human Ecology Lansing, MI 48824	None Public	Grant, Unrestricted	\$5,000.00
Institute for Civil Society 42 Glen Avenue Newton Centre, MA 02459	None Public	Grant, Unrestricted	\$10,000.00
Institute for Health Freedom 1825 Eye Street, NW, Suite 400 Washington, DC 20006	None Public	Grant, Unrestricted	\$5,000.00
Institute for Humane Studies 4084 University Drive, Suite 101 Fairfax, VA 22030-6812	None Public	Grant, Unrestricted	\$15,000.00
Institute for Humane Studies 4084 University Drive, Suite 101 Fairfax, VA 22030-6812	None Public	Grant, Restricted	\$15,000.00
Institute for Justice 1001 Pennsylvania Ave., NW, Suite 200 S. Washington, DC 20004-2505	None Public	Grant, Unrestricted	\$40,000.00

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Institute for Policy Innovations 250 S. Stemmons Lewisville, TX 75067	None Public	Grant, Unrestricted	\$1,000.00
Intercollegiate Studies Institute, Inc. South Byrn Mawr Avenue Byrn Mawr, PA 19010	None Public	Grant, Unrestricted	\$10,000.00
Jesse Helms Center Foundation Wingate College Monroe, NC	None Public	Grant, Unrestricted	\$25,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None Public	Grant, Unrestricted	\$25,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None Public	Grant, Unrestricted	\$15,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None Public	Restricted - Senior Fellow	\$10,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None Public	Restricted - Pope Center	\$2,500.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None Public	Restricted - Pope Center	\$10,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None Public	Grant, Unrestricted	\$20,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None Public	Restricted - Pope Center	\$10,000.00

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<u>Recipient</u>	<u>Relation</u>	<u>Status</u>	<u>Purpose</u>	<u>Amount</u>
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Grant, Unrestricted	\$15,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Restricted - Senior Fellow	\$10,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Restricted - Pope Center	\$15,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Grant, Unrestricted	\$25,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Grant, Unrestricted	\$25,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Grant, Unrestricted	\$15,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Grant, Unrestricted	\$25,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Restricted - Pope Center	\$21,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Restricted - Pope Center	\$5,000.00
John Locke Foundation P.O. Box 17822 Raleigh, NC 27619	None	Public	Grant, Unrestricted	\$15,000.00

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<u>Recipient</u>	<u>Relation</u> <u>Status</u>	<u>Purpose</u>	<u>Amount</u>
John M. Ashbrook Center for Public Affairs 401 College Avenue Ashland, OH 44805	None Public	Grant, Unrestricted	\$1,000.00
Lacy PTA 1904 Victoria Road Raleigh, NC 27608	None Public	Grant, Unrestricted	\$5,000.00
Law and Economics Center at - George Mason University School of Law North Fairfax Drive Arlington, VA	None Public	Grant, Unrestricted	\$1,000.00
Manhattan Institute Spring Street New York, NY 10012-9945	None Public	Grant, Unrestricted	\$1,000.00
Meredith College Hillsborough Street Raleigh, NC 27607	None Public	Grant, Unrestricted	\$5,000.00
National Alumni Forum 1625 K Street NW, Suite 310 Washington, DC 20036	None Public	Grant, Unrestricted	\$25,000.00
National Center for Policy Analysis 12655 N Central Expressway, Suite 720 Dallas, TX 75243	None Public	Grant, Unrestricted	\$10,000.00
National Right to Work 8001 Braddock Road Springfield, VA 22160	None Public	Grant, Unrestricted	\$5,000.00
NC Civil War Tourism Council P.O. Box 31522 Raleigh, NC 27622	None Public	Grant, Unrestricted	\$2,500.00
NC Depressive & Manic Depressive Assoc. 3900 Arrow Drive Raleigh, NC 27612	None Public	Grant, Unrestricted	\$1,000.00

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NC Education Reform Foundation 3510 Manford Drive Durham, NC 27707	None Public	Grant, Unrestricted	\$2,500.00
NC Council on Economic Education P.O. Box 5086 Greensboro, NC	None Public	Grant, Unrestricted	\$1,000.00
NC Family Policy Council P.O. Box 20607 Raleigh, NC 27619	None Public	Grant, Unrestricted	\$10,000.00
NC Museum of Art Blue Ridge Boulevard Raleigh, NC 27607	None Public	Grant, Unrestricted	\$10,000.00
NC Taxpayers United Education Fdtn. 3901 Barrett Drive, Suite 100 Raleigh, NC 27609	None Public	Grant, Unrestricted	\$5,000.00
NC Theater One East South Street Raleigh, NC 27601	None Public	Grant, Unrestricted	\$1,000.00
Occoneetchee Council Boy Scouts of America P.O. Box 41229 3231 Atlantic Avenue Raleigh, NC 27629-1229	None Public	Grant, Unrestricted	\$10,000.00
Pacific Research Institute for Public Policy Post Street San Francisco, CA 94108	None Public	Grant, Unrestricted	\$5,000.00
Philanthropy Roundtable 320 North Meridian Street Indianapolis, IN 46204-1725	None Public	Grant, Unrestricted	\$5,000.00
Playspace 208 Wolfe Street Raleigh, NC 27602	None Public	Grant, Unrestricted	\$1,000.00

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<u>Recipient</u>	<u>Relation</u>	<u>Status</u>	<u>Purpose</u>	<u>Amount</u>
Political Economy Research Institute 8929 JM Keynes Drive Charlotte, NC 28213	None	Public	Grant, Unrestricted	\$5,000.00
Progress & Freedom Foundation 1401 H Street, NW, Suite 1075 Washington, DC 20005	None	Public	Grant, Unrestricted	\$1,000.00
Reason Foundation 2716 Ocean Park Boulevard Santa Monica, CA 90405	None	Public	Grant, Unrestricted	\$15,000.00
Small Business Survival Committee 1920 L Street, NW, Suite 200 Washington, DC 20036	None	Public	Grant, Unrestricted	\$5,000.00
Smith Island Land Trust P.O. Box 3109 Bald Head Island, NC 28461	None	Public	Grant, Unrestricted	\$1,000.00
Social Philosophy & Policy Center Bowling Green University Bowling Green, OH 43403-0188	None	Public	Grant, Unrestricted	\$1,000.00
South Carolina Policy Council 1419 Pendleton Street Columbia, SC 29201	None	Public	Grant, Unrestricted	\$10,000.00
Southeastern Legal Foundation Chamblee-Tucker Road, Bldg 4 Atlanta, GA 30341	None	Public	Grant, Unrestricted	\$2,500.00
St. Mary's College Hillsborough Street Raleigh, NC 27603	None	Public	Grant, Unrestricted	\$5,000.00
Tax Foundation 1250 H Street, NW, Suite 750 Washington, DC 20005-3908	None	Public	Grant, Unrestricted	\$10,000.00

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The Acton Institute 161 Ottawa Ave, NW, Suite 405-K Grand Rapids, MI 49502-3404	None Public	Grant, Unrestricted	\$2,500.00
The Asheville School 360 Asheville School Road Asheville, NC 28806	None Public	Grant, Unrestricted	\$5,000.00
The Asheville School 360 Asheville School Road Asheville, NC 28806	None Public	Grant, Unrestricted	\$100,000.00
The Federalist Society K Street, NW Washington, DC 20006	None Public	Grant, Unrestricted	\$5,000.00
The Foundation Endowment 611 Cameron Street Alexandria, VA 22314	None Public	Grant, Unrestricted	\$1,000.00
The Fraser Institute 626 Bute Street Vancouver, British Columbia V6E 3M1 Canada	None Public	Grant, Unrestricted	\$1,000.00
The Fund for American Studies 1526 Eighteenth Street, NW Washington, DC 20036	None Public	Grant, Unrestricted	\$5,000.00
The Leadership Institute 8001 Braddock Road, Suite 502 Springfield, VA 22151	None Public	Grant, Unrestricted	\$1,000.00
The Lundy Chair of the Philosophy of Business Campbell University P.O. Box 1145 Buies Creek, NC 27506	None Public	Grant, Unrestricted	\$5,000.00
UNC Lineberger Cancer Research School of Medicine CB # 7295 University of North Carolina at Chapel Hill Chapel Hill, NC 27599-7295	None Public	Grant, Unrestricted	\$1,000.00

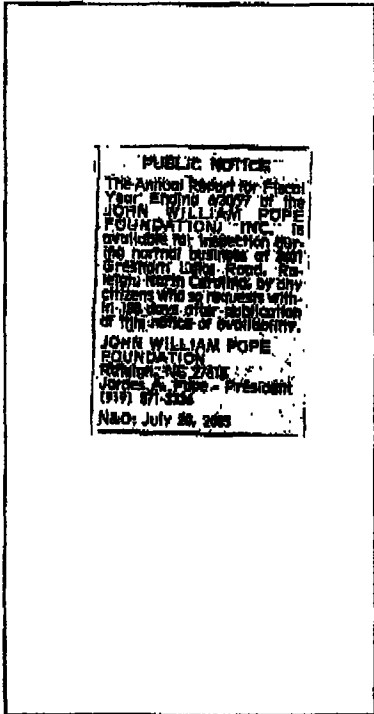
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<u>Recipient</u>	<u>Relation Status</u>	<u>Purpose</u>	<u>Amount</u>
Virginia Epsicopal School P.O. Box 408 Lynchburg, VA 24505	None Public	Grant, Unrestricted	\$5,000.00
Wake Education Partnership 706 Hillsborough Street, Suite A Raleigh, NC 27603	None Public	Grant, Unrestricted	\$12,000.00
White Memorial Presbyterian Church Oberlin Road Raleigh, NC 27608	None Public	Grant, Unrestricted	\$10,000.00
Wildlife Welfare, Inc. 4216 Mountainbrook Road Apex, NC 27502	None Public	Grant, Unrestricted	<u>\$1,000.00</u> \$1,028,000.00

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AFFIDAVIT OF PUBLICATION

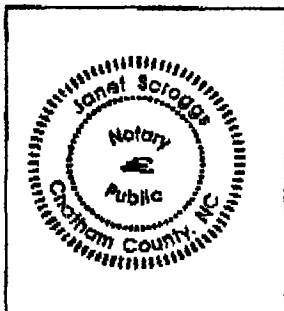
NORTH CAROLINA,
Wake County.) Ss.



Before the undersigned, a Notary Public of Chatham County North Carolina, duly commissioned and authorized to administer oaths, affirmations, etc., personally appeared Donna Clayton, who, being duly sworn or affirmed, according to law, doth depose and say that she is Billing Manager-Legal Advertising of The News and Observer a corporation organized and doing business under the Laws of the State of North Carolina, and publishing a newspaper known as The News and Observer, in the City of Raleigh, Wake County and State aforesaid, the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina, and that as such she makes this affidavit; that she is familiar with the books, files and business of said corporation and by reference to the files of said publication the attached advertisement for JOHN POPE FOUNDATION was inserted in the aforesaid newspaper on dates as follows: 07/20/05

Account Number: 87133040

The above is correctly copied from the books and files of the aforesaid Corporation and publication.



Donna Clayton
 Billing Manager-Legal Advertising

Sworn or affirmed to, and subscribed before me, this
 21 day of JULY, 2005 AD
 In Testimony Whereof, I have hereunto set my hand
 and affixed my official seal, the day and year aforesaid.

Janet Striggs
 Notary Public

My commission expires 14th of March 2009.

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

Source	Amount
BANK	6,590.
Total to Form 990-PF, Part I, line 3, Column A	6,590.

Form 990-PF Dividends and Interest from Securities Statement 2

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
OLDE	38,795.	0.	38,795.
Total to Fm 990-PF, Part I, ln 4	38,795.	0.	38,795.

Form 990-PF Taxes Statement 3

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PAYROLL TAXES	13,319.	13,319.		0.
INCOME TAXES	14,176.	14,176.		0.
To Form 990-PF, Pg 1, ln 18	27,495.	27,495.		0.

Form 990-PF Other Expenses Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
MISCELLANEOUS	4,164.	4,164.		0.
BANK CHARGES	260.	260.		0.
To Form 990-PF, Pg 1, ln 23	4,424.	4,424.		0.

Form 990-PF	Corporate Stock	Statement	5
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<u>Description</u>	<u>Book Value</u>	<u>Fair Market Value</u>
CDI CORPORATION (COMMON)	298,428.	22,902,075.
NCNB SHARES	23,415.	478,320.
Total to Form 990-PF, Part II, line 10b	321,843.	23,380,395.
