

**Return of Private Foundation
Exempt from Income Tax**

51691/44613/4
1972

Department of the Treasury
Internal Revenue Service

Under Section 501(c)(3) of the Internal Revenue Code

For the calendar year 1972, or fiscal year beginning , 1972, and ending , 19

Please type, print or attach label. See instruction O.

48-6113560 990 12 4 03
FRED C KOCH FOUNDATION INC
 BOX 2256
 WICHITA KANS 67201

Employer identification number (See instruction Q)

Date of exemption letter
 February 15, 1955

Fair market value of assets (See instruction S)
 3,261,900.64

Enter the name and address used on your return for 1971 (if the same as above, write "Same"). If none filed, give reason.
 Same

If exemption application is pending, check this box

Part I.—Income and Charitable Distributions (Under Section 4942)

	1971	1972
Income		
1 Gross profit from all business activities (Attach a statement explaining how each business activity not reported on Form 990-T contributed importantly to your exempt purpose)		
2 Interest	13,411.58	39,075.67
3 Dividends	248,294.22	282,114.70
4 Gross Rents		
5 Gross Royalties		
6 Net short-term capital gain (see instructions)		
7 Amounts includible as income modifications under section 4942(f)(2)(C)—(see instructions)		
8 Other income (attach schedule)		
9 Gross income (add lines 1 through 8)	260,705.80	312,190.37
Expenditures		
10 Compensation of officers, directors, and trustees—see instructions	2,016.00	2,185.20
11 Other salaries and wages		
12 Other employee benefits		
13 Investment, legal, accounting and other professional services		74.28
14 Interest		
15 Taxes—see instructions		
16 Depreciation (straight line), Amortization and Depletion (cost)		
17 Rent		
18 Other expenses (attach schedule)	323.49	476.50
19 Total expenditures (add lines 10 through 18)	2,339.49	2,735.98
20 Adjusted net income (line 9 less line 19) <small>Note: Lines 21 through 28 need not be completed for any year the foundation claims operating foundation status under 4942(j)(3).</small>	258,366.31	309,454.39
21 Minimum investment return from line 4 or 5, Part III	none	130,142.12
22 Enter the higher of line 20 or 21	258,366.31	309,454.39
23 Enter sum of excise tax under section 4940 and income tax under Subtitle A for applicable year	10,332.65	12,378.18
Distributions		
24 Distributable amount (line 22 less line 23—for 1970 see instructions)	248,033.66	297,076.21
25 Adjustments (if any) to line 24 as provided in Regulations under section 4942 (attach schedule)		
26 Distributable amount as adjusted (line 24 plus line 25)	248,033.66	297,076.21
27 Qualifying distributions applied to 1970, 1971 and 1972 from line 13, Part V	248,033.66	155,142.77
28 Undistributed income as of end of taxable year beginning in 1972 (line 26 less line 27)	none	141,933.44

Part II

1 Gross contributions, gifts, grants and similar amounts received—see instructions

2 Gross dues and assessments from members and affiliates

3 Enter your principal activity codes from last page of instructions

4 The books are in care of ▶ George Pearson Telephone No. 316-838-7741

5 Located at ▶ Wichita, Kansas

6 Excise taxes (see instructions) on investment income from Part VIII Pay in full with return. Make check or money order payable to Internal Revenue Service ▶ 12,378.18

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

5/15/73 Date
 Fred C Koch Signature of officer or trustee
 President Title

MAY 15 1973 Date
 Stan Sprinkle Signature and Emp. Ident. or Soc. Sec. No. of preparer

PEAT, MARWICK, MITCHELL & CO. 13-5565207
 Certified Public Accountants
 901 Union Center Building
 Wichita, Kansas 67202

Part III.—Minimum Investment Return for 1971 and 1972 (Operating Foundations See Instructions)

	1971	1972
1 Fair market value of assets not used (or held for use) directly in carrying out exempt purpose (see section 4942(e) and the regulations thereunder):		
(a) Monthly average of securities at fair market value		620,262.23
(b) Monthly average of cash balances (exclude cash held for charitable, etc., purposes)		11,550.47
(c) Fair market value of all other investment assets		2,514,640.82
(d) Total (sum of lines (a), (b), and (c))		3,154,960.52
2 Acquisition indebtedness with respect to line 1 assets		
3 Line 1 less line 2		3,154,960.52
4 Organizations organized after May 26, 1969:		
(a) For 1971 enter 6% of line 3		
(b) For 1972 enter 5½% of line 3		
5 Organizations organized before May 27, 1969; for 1972, enter 4½% of line 3	-0-	130,142.12

Part IV.—Qualifying Distributions (See Instructions)

	1970	1971	1972
1 Amounts paid (including administrative expenses) to accomplish purposes described in sections 170(c)(1) and 170(c)(2)(B) (For 1972—should agree with line 13, Part VI—see instructions)	246,986.25	188,252.71	220,019.47
2 Amounts paid to acquire assets used (or held for use) directly in carrying out purposes described in sections 170(c)(1) and 170(c)(2)(B)			
3 Amounts set aside for specific projects which are for purposes described in sections 170(c)(1) and 170(c)(2)(B)			
4 Total (add lines 1, 2, and 3)	246,986.25	188,252.71	220,019.47

Part V.—Treatment of Qualifying Distributions (Under Section 4942(h) and (i))

	Corpus	1970	1971	1972
1970 qualifying distributions applied under:				
1 4942(h)(1)(B) to the taxable year		246,986.25		
2 4942(h)(1)(C) to corpus				
1971 qualifying distributions applied under:				
3 4942(h)(1)(A) to immediately prior year		5,145.82		
4 4942(h)(2) to corpus (election required—see instructions)				
5 4942(h)(1)(B) to the taxable year			183,106.89	
6 4942(h)(1)(C) to corpus				
7 Excess distribution carryover from 1970 under 4942(i) applied to 1971				
1972 qualifying distributions applied under:				
8 4942(h)(1)(A) to immediately prior year			64,876.77	
9 4942(h)(2) to other prior years or corpus (election required—see instructions)				
10 4942(h)(1)(B) to the taxable year				155,142.20
11 4942(h)(1)(C) to corpus				
12 Excess distribution carryover from 1970 and 1971 under 4942(i) applied to 1972				
13 Total qualifying distributions applied to 1970, 1971 and 1972 (add lines 1 through 12)		252,132.07	247,983.66	155,142.20
14 Distributions included in lines 2, 4, 6, 9 and 11 that were treated by the private foundation filing this return as a distribution of corpus under section 4942(h) (see instructions):				
(a) because of the application of section 4942(g)(3)(A) to the foundation as recipient of contributions from another private foundation				
(b) because of the application of section 170(b)(1)(E)(ii) to the foundation as a recipient of contributions from an individual				
Total—add (a) and (b)				

Form 990-AR

1972

Annual Report of Private Foundation

Fred C. Koch Foundation, Inc.

Name

Under Section 6056 of the Internal Revenue Code

In addition to this Annual Report, the annual return of the Foundation filed on Form 990-PF is available for public inspection. Consult an Internal Revenue Service office for further information.

**Department
of the
Treasury**



**Internal
Revenue
Service**

Annual report for calendar year 1972, or fiscal year beginning 1972, and ending 19

Name of organization **Fred C. Koch Foundation, Inc.** Employer identification number **48-6113560**

Address of principal office **4111 E. 37th St. North Wichita, Kansas**

If books and records are not at above address, specify where they are kept Name of principal officer of foundation **George Pearson**

Revenues

1 Amount of gifts, grants, bequests, and contributions received for the year	
2 Gross income for the year	<u>312,190.37</u>
3 Total	<u>312,190.37</u>

Disbursements and Expenses

4 Disbursements for the year for the purposes for which exempt (including administrative expenses) .	<u>220,019.47</u>
5 Expenses attributable to gross income (item 2 above) for the year	<u>2,735.98</u>

Foundation Managers

6 List all managers of the foundation (see section 4946(b) IRC):

Name and title	Address where manager may be contacted during normal business hours
George Pearson, Manager	3711 East 37th Street North Wichita, Kansas

6a List here any managers of the foundation (see section 4946(b) IRC) who have contributed 2 percent of the total contributions received by the foundation before the close of any taxable year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

6b List here any managers of the foundation (see section 4946(b) IRC) who own 10 percent 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 percent or greater interest.

Part X—Questions (Continued)

	Yes	No
D Have you filed a tax return on Form 990-T for this year?		X
E Was there a substantial contraction during the year? If "Yes," attach a schedule for the disposition(s) for the year(s) showing type of asset disposed of, the date(s) disposed, the cost or other basis, the fair market value on date of disposition and the names and addresses of the recipients of the assets distributed. (See general instructions N)		X
F Did you file the annual report required by section 6056 (see Form 990-AR for instructions)?	X	
G At the time of filing Form 990-PF for 1972, does the organization satisfy the requirements of section 508(e)? See General Instruction R If "Yes," have such requirements been satisfied by:	X	
(1) Language in the governing instrument (original or as amended), or	X	
(2) Enactment of State legislation effectively amending the governing instrument and the governing instrument contains no mandatory directions which are in conflict with such State legislation	X	
H Has the organization attached the list of States (or entered the name(s) below, if enough space) referred to in general instruction P and furnished copies of Forms 990-PF and 990-AR (or equivalent report) to State officers as required by general instruction Q? Name of State(s) <u>KANSAS</u>	X	
I Does the organization claim status as an operating foundation within the meaning of 4942(j)(3):		
(1) for calendar year 1972 or fiscal year beginning in 1972		X
(2) for calendar year 1971 or fiscal year beginning in 1971		X
(3) for calendar year 1970 or fiscal year beginning in 1970		X
If "Yes" for (1), (2) or (3), complete Part VII.		
J Self-dealing (section 4941):		
(1) Have you engaged in any of the following acts during the year either directly or indirectly, with one or more disqualified persons (see instruction B, Part X, for definition)—		
(a) Sale, exchange, or leasing of property		X
(b) Lending of money or other extension of credit		X
(c) Furnishing of goods, services, or facilities		X
(d) Payment of compensation (or payment or reimbursement of expenses)		X
(e) Transfer of any part of your income or assets		X
(f) Agreed to make any payment of money, or other property, to a government official (as defined in section 4946(c)) other than an agreement to employ such individual for any period after the termination of his government service if such individual is terminating his government service within a 90-day period		X
(2) If any of questions 1(a) through 1(f) is answered "Yes," were all of such acts in which the foundation engaged excepted acts described in section C, Part X of the instructions?		
K Taxes on failure to distribute income (section 4942) (not applicable to an operating foundation as defined in 4942(j)(3)):		
(1) Did you at the end of taxable year 1972 have any undistributed income (line 28, Part I) with respect to the taxable year 1970 or taxable year 1971?		X
(2) If "Yes," is the organization applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) with respect to such undistributed income for (a) 1970 (b) 1971		
If "Yes," to (a) or (b), see General Instruction A for Part X.		
L Taxes on excess business holdings (section 4943):		
(1) Did you hold more than a two percent direct or indirect interest in any business enterprise (see instructions—"Definitions") at any time during the year?		X
(2) If "Yes," has the foundation purchased or have disqualified persons purchased stock in a business enterprise since May 26, 1969, which resulted in excess business holdings (direct or indirect) which are subject to tax under section 4943 and which was not reported on a prior year's return?		
M Taxes on investments which jeopardize charitable purpose (section 4944):		
(1) Did you invest any amount in such a manner as to jeopardize the carrying out of your exempt purposes during the year?		X
N Taxes on taxable expenditures (section 4945):		
(1) During the year did you pay, or incur a liability to pay for any of the following—		
(a) To carry on propaganda, or otherwise attempt to influence legislation by attempting to affect the opinion of the general public or any segment thereof or by communicating with any member or employee of a legislative body, or by communicating with any other government official or employee who may participate in the formulation of legislation		X
(b) To influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive		X
(c) As a grant to an individual for travel, study, or other similar purposes by such individual	X	
(d) As a grant to an organization, other than a charitable organization described in paragraph (1), (2), or (3) c; section 509(a) of the Code		X
(e) For any purpose other than religious, charitable, scientific, literary or educational purposes or for the prevention of cruelty to children or animals		X
(2) If any of questions 1(a) through 1(e) is answered "Yes," were all of such transactions excepted transactions described in section D, Part X of the instructions?	X	
(3) With respect to Part (1)(d) of this question, if you answered "Yes," did you apply the exception in item 9 of section D, Part X of the instructions? If "Yes," attach the statement required for such exception.		

Balance Sheet Per Books at the Beginning of the Year

Assets		Liabilities	
Cash	246,160.00	Accounts payable	365.47
Accounts and notes receivable	1,000.00	Contributions, gifts, grants, etc. payable	
Inventories		Bonds and notes payable	
Securities		Mortgages payable	
Government obligations		Other liabilities	
Corporate bonds	118,000.00	Total liabilities	365.47
Corporate stocks	101,400.00	Net Worth	
Mortgage loans		Principal fund	152,107.02
Real estate			
Less: Depreciation		Income fund	314,087.51
Other assets			
Less: Depreciation		Total net worth	466,194.53
Total assets	466,560.00	Total liabilities and net worth	466,560.00

Itemized Statement of Securities and All Other Assets Held at the Close of the Taxable Year

Asset	Book value	Market value
Cash	47,495.98	47,495.98
Investments in non-governmental bonds:		
5.75% notes - Bank of Tokyo	395,000.00	395,000.00
5.75% notes - Shelter Mortgage Corp.	320,000.00	320,000.00
5.75% notes - First Nat'l. Bank - St. Paul	33,000.00	33,000.00
Investments in corporate stocks:		
20,000 shs - Koch Industries, Inc., common	5,945.80	128,400.00
42,444.445 shs - Koch Industries, Inc. 5% non-voting preferred stock	4,218,850.70	2,334,444.46
Automobile	2,679.58	2,679.58
Prepaid insurance	880.62	880.62
Total	5,023,852.68	3,261,900.64

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Concise statement of grant or purpose of contribution	Amount
<i>Paid during year</i>			
Schedules attached Scholarships Donations			14,300.00 181,095.63
<i>Approved for future payment</i>			

A notice has been published that this Annual Report is available for public inspection at the principal offices of the foundation, and copies of this Annual Report have been furnished to the Attorney General of each State entitled to receive reports and listed on Form 990-PF.

May 15 1973
 Date
MAY 15 1973
 Date
 Signature of foundation manager
George H. Pearson
 Signature of individual or firm preparing the return
Stan Sprinkle
 PEAT, MARWICK, MITCHELL & CO. 13-5565207
 Certified Public Accountants
 Prepared at Administration Center Building
 Wichita, Kansas 67202

Instructions

A. Annual Report.—The foundation managers (as defined in section 4946(b)) of every organization which is a private foundation, including a trust described in section 4947(a)(1) which is treated as a private foundation, having at least \$5,000 of assets at any time during a taxable year shall file an annual report. A private foundation may use this form for its annual reporting requirements.

The annual report required to be filed is in addition to and not in lieu of submitting the information required on Form 990-PF under section 6033.

The report may be prepared in printed, type-written or any other form the foundation chooses, provided that it readily and legibly discloses the information required by section 6056 and the regulations thereunder.

B. Where and When to File.—The annual report must be filed at the time and place specified for filing Form 990-PF.

C. Public Inspection of Private Foundation's Annual Reports.—The annual report required to be filed under section 6056 shall be made available by the foundation managers for inspection at the principal office of the foundation during regular business hours by any citizen on request made within 180 days after the publication of notice of its availability; or if the foundation manager chooses, he may furnish a copy free of charge to such persons requesting inspection, provided such persons do so at the time and manner prescribed in section 6104(d) and the regulations thereunder.

The notice shall be published not later than the day prescribed for filing such annual report (determined with regard to any extensions of time for filing), in a newspaper having general circulation in the county in which the principal office of the private foundation is located. The notice shall state that the annual report of the private foundation is available at its principal office for inspection during

regular business hours by any citizen who requests it within 180 days after the date of such publication, and shall state the address of the private foundation's principal office and the name of its principal manager. A private foundation may designate in addition to its principal office, or (if the foundation has no principal office or none other than the residence of a substantial contributor or foundation manager) in lieu of such office, any other location at which its annual report shall be made available.

A copy of the notice must be attached to the annual report filed with the Internal Revenue Service.

A copy of such notice as published and a statement signed by a foundation manager stating that such notice was published, setting forth the date of publication and the publication in which it appears shall be sufficient proof of publication.

D. Verification.—The report must be verified by the foundation manager.

E. Availability of Report.—Every private foundation is required to attach to its Form 990-PF a list of all States:

(a) to which the organization reports in any fashion concerning its organization, assets, or activities, and

(b) with which the organization has registered (or which it has otherwise notified in any manner) that it intends to be, or is a charitable organization or that it is, or intends to be, a holder of property devoted to a charitable purpose.

F. Furnishing of Copies to State Officers; Listing of States.—The foundation managers shall furnish a copy of the annual report (required by section 6056) to the Attorney General of (1) each State which they are required to list above, (2) the State in which is located

the principal office of the foundation, and (3) the State in which the foundation was incorporated or organized. Such report shall be furnished at the same time it is sent to the Internal Revenue Service. In addition, the foundation managers shall provide upon request a copy of the annual report to the Attorney General or other appropriate State officer of any other State. The foundation manager shall also attach to the report a copy of the Form 990-PF (or Schedule PF (Form 1041) for a 4947(a)(1) trust) and a copy of the Form 4720 (if any) filed by the foundation with the Internal Revenue Service for the year.

G. Penalty for Failure to File Report and Notice on Time.—If a private foundation fails to file the annual report on or before the due date, or to comply with the requirements under "C" above, there will be imposed on the person (anyone under a duty to perform the act), a \$10 penalty for each day during which such failure continues, not to exceed \$5,000. See section 6652(d)(3). If more than one person is liable, all such persons shall be jointly and severally liable with respect to such failure. Organizations that have given notice under section 508(b) as to their status and have not received a letter from the Internal Revenue Service containing a determination as to such status—refer to Revenue Procedure 72-31 (IRB 1972-23, dated June 5, 1972) for rules relating to relief from the penalty provision of Section 6652. If such failure to file the annual report or comply with "C" is willful, there shall be imposed in addition to the amount mentioned above a penalty of \$1,000 with respect to each such report or notice. See section 6685.

H. Foreign Organizations.—A foreign organization which has received substantially all of its support (other than gross investment income) from sources outside the United States shall not be subject to the requirements of C and F above.

Part XI

A. Substantial Contributors (if more space is needed, attach schedule)

Name	Address
Food C Koch (deceased)	
Mary R. Koch	PO Box 2256 Wichita, KS
Koch Industries, Inc	PO Box 2256 Wichita, KS

B. Compensation of Officers, Directors and Trustees

Name and address	Social security number	Title	Time devoted to position	Compensation
George H. Pearson Wichita, Kansas	[REDACTED]	Manager	All	21,952.00

Total 21,952.00

C. Compensation of Five Highest Paid Employees (Other than included in B above—see instructions)

Name and address of employees paid more than \$30,000	Social security number	Year	Compensation
none			

Total number of other employees paid over \$30,000 none

D. Five Highest Paid Persons for Professional Services (See instructions)

Name and address of persons paid more than \$30,000	Type of service	Compensation
none		

Total number of others receiving over \$30,000 for professional services none

Part VI.—Analysis of Disbursements for Exempt Purposes for 1972

	(a) Expenses Directly For Active Conduct Of Exempt Activities (see instructions)	(b) Administrative and Other Expenditures
1 Compensation of officers, directors, and trustees (see instructions)		19,446.80
2 Other salaries and wages		
3 Other employee benefits		
4 Legal, financial and other professional services		660.54
5 Interest		
6 Taxes (see instructions)		
7 Rent		
8 Other (attach schedule)		4288.50
9 Total—add lines 1 through 8		24,623.84
10 Enter total from column (a), line 9		
11 Contributions, gifts, grants and similar amounts paid (see instructions)		195,395.63
12 Program related investments (as defined in section 4944(c))		
13 Total—add lines 9, 10, 11 and 12 (must agree with Part IV, line 1 for 1972)		220,019.47

Part VII.—Private Operating Foundations (See Instructions and Question I, Part X)

1 Enter dates of rulings or determination letters (if any) that the organization is an operating foundation for taxable year beginning in (a) 1970 (b) 1971 (c) 1972

(Fill in the columnar headings applicable to the most recent taxable year of Operating Foundation status. If such status is claimed for more than one year, attach a schedule similar to schedule below for each such year.)

Enter year(s)	Taxable Year			Total
		Prior Three Years		
2 (a) Adjusted net income as defined in section 4942(f)				
(b) 85% of line (a)				
(c) Qualifying distributions directly for active conduct of exempt purposes				
3 Complete the alternative test in (a), (b) or (c) on which the organization relies.				
(a) "Assets" alternative test—enter:				
(i) Value of all assets				
(ii) Value of assets qualifying under section 4942(j)(3)(B)(i)				
(iii) 65% of line (a)(i)				
(b) "Endowment" alternative test—enter 2/3 of minimum investment return				
(c) "Support" alternative test—enter:				
(i) Total support other than gross investment income				
(ii) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(iii) Largest amount of support from an exempt organization (see instructions)				
(iv) Gross investment income				

Part VIII.—Excise Tax on Investment Income (Section 4940)

Income	1 Interest	30,075.67
	2 Dividends	282,114.70
	3 Gross rents	
	4 Gross royalties	
	5 Net capital gain (from Part IX, line 2)	
	6 Total income. Add lines 1 through 5	312,190.37
Deductions Attributable To Investment Income	7 Compensation of officers	2,165.20
	8 Other salaries and wages	
	9 Other employee benefits	
	10 Interest	
	11 Taxes	
	12 Rent	
	13 Investment, legal, accounting and other professional services	74.38
	14 Depreciation (straight line) and depletion (cost)	
	15 Other deductions	476.50
	16 Total deductions. Add lines 7 through 15	2,725.95
Tax	17 Net investment income (line 6 less line 16)	309,464.39
	18 Domestic organizations—Excise tax, 4% of line 17. Enter here and on page 1, Part II, line 6	12,378.18
	19 Foreign organizations: (a) Enter total of lines 1 through 4	
	(b) 4% of line (a)	
	(c) Tax withheld at source	
	(d) Tax due (line (b) less line (c)). Enter here and on page 1, Part II, line 6	
(e) Overpayment (line (c) less line (b)) (See instructions)		

Foreign organizations—Enter book value \$ _____ and fair market value \$ _____ of assets held within the United States for investment.

Part IX.—Capital Gains and Losses (Under Section 4940)

a. Kind of property. Indicate security, real estate or other (specify)	b. Description (Examples: 100 sh. of "Z" Co., 2 story brick, etc.)	c. How acquired P—Purchase D—Donation	d. Date acquired (mo., day, yr.)	e. Date sold (mo., day, yr.)
1 <u>SECURITIES</u>	<u>7109 sh. purchased stock - Koch Industries Inc.</u>	<u>D</u>	<u>11-67</u>	<u>3-11-72</u>
f. Gross sales price	g. Depreciation allowed (or allowable)	h. Cost or other basis and expense of sale	i. Gain or (loss) (f plus g less h)	
<u>355,000.00</u>		<u>710,273.00</u>	<u><355,273.00></u>	
Complete only for assets showing gain in column i and owned by the foundation on 12/31/69				m. Enter losses from col. i, and gains (excess of col. i gain over col. l, but not less than zero)
j. F.M.V. as of 12/31/69	k. Adjusted basis as of 12/31/69	l. Excess of col. j over col. k, if any		
2 Net capital gain (loss). If gain, also enter on line 5, Part VIII				<u><355,273.00></u>
3 Net short-term capital gain (loss) as defined in section 1222(5) and (6)				<u><355,273.00></u>
4 Net long-term capital gain (loss) as defined in section 1222(7) and (8)				<u><355,273.00></u>

Part X.—Questions

File Form 4720 if question J(2), K(2)(a) or (b), or N(2) is answered "No" or question L(2), or M is answered "Yes."	Yes	No
A During the taxable year, has the organization (a) attempted to influence any national, State, or local legislation, or (b) participated or intervened in any political campaign? If "Yes," attach a detailed description of such activities and copies of any materials published or distributed by the organization in connection with such activities.		X
B Have you engaged in any activities which have not previously been reported to the Internal Revenue Service? If "Yes," attach a detailed description of such activities.		X
C Have any changes not previously reported to the Internal Revenue Service been made in your governing instrument, articles of incorporation, or bylaws, or other instruments of similar import? If "Yes," attach a copy of the changes.		X

Part XII.—Balance Sheets

	Beginning of Taxable Year		End of Taxable Year	
	(A) Amount	(B) Total	(C) Amount	(D) Total
Assets				
1 Cash: (a) Savings and interest-bearing accounts				
(b) Other	24,160.00	24,160.00		42,495.98
2 Accounts receivable net				
3 Notes receivable net (attach schedule)		1,000.00		
4 Inventories				
5 Gov't obligations: (a) U.S. and instrumentalities				
(b) State, subdivisions thereof, etc.				
6 Investments in nongovernmental bonds, etc. (attach schedule) <i>See 910-AR</i>		118,000.00		748,000.00
7 Investments in corporate stocks (attach schedule) <i>See 910-AR</i>		101,400.00		4,224,796.50
8 Mortgage loans (number of loans)				
9 Other investments (attach schedule)				
10 Depreciable (depletable) assets (attach schedule):				
(a) Held for investment purposes				
(b) Less accumulated depreciation				
(c) Held for charitable purposes			352.27	
(d) Less accumulated depreciation			893.19	2,629.58
11 Land: (a) Held for investment purposes				
(b) Held for charitable purposes				
12 Other assets (attach schedule)				880.62
13 Total assets		466,560.00		5,023,852.68
Liabilities				
14 Accounts payable		365.47		432.38
15 Contributions, gifts, grants, etc., payable				
16 Mortgages and notes payable (attach schedule)				
17 Other liabilities (attach schedule)				
18 Total liabilities		365.47		432.38
Net Worth (Fund Balances)				
19 Principal Fund		152,107.02		4,620,230.82
20 Income Fund		314,007.51		393,109.28
21 Total Net Worth (Fund Balances)		466,194.53		5,023,420.30
22 Total Liabilities and Net Worth (line 18 plus line 21)		466,560.00		5,023,852.68

Part XIII.—Analysis of Changes in Net Worth

1 Total net worth at beginning of year	466,194.53
2 Adjusted net income under section 4942 from Part I, line 20, for 1972	309,454.39
3 Gross contributions, gifts, grants and similar amounts received from Part II, line 1	
4 Gross dues and assessments from members and affiliates from Part II, line 2	
5 Net gain from sale of assets not included in line 2 above (see instructions)	
6 Other increases (itemize):	
<i>Receipt of specific bequest under will of</i>	
<i>and C. Kash (deceased 11-62)</i>	
	483,396.50
7 Total of lines 1 through 6	5,609,045.42
8 Disbursements for exempt purposes from Part VI, line 13	220,019.47
9 Taxes under: (a) Chapter 42 § 10,332.65, and (b) Subtitle A § Total	10,332.65
10 Other decreases not included in line 8 or 9 (itemize) see instructions:	
<i>Loss on sale of assets (Part IX)</i>	
	358,293.00
11 Total of lines 8, 9 and 10	588,625.12
12 Total net worth at end of year (line 7 less line 11)	5,023,420.30

THE FRED C. KOCH FOUNDATION, INC.
Donations to Institutions
For the Year Ended December 31, 1972

American Cancer Society, Inc.	\$ 1,000.00
American Red Cross-Kansas	50.00
American Red Cross-Dillon	100.00
Beaverhead County 4-H	531.13
Big Brothers of Sedgwick County	700.00
Boy Scouts of America	3,600.00
Carpenter Children's Home, The Maude	2,250.00
Century III Foundation	2,000.00
Foundation for Economic Education, Inc.	2,500.00
Foundation for Research in Economics & Education	4,500.00
Greater St. Paul United Fund	4,000.00
Harding College	1,500.00
Institute for Humane Studies, Inc.	69,277.00
Junior Achievement of Houston	50.00
Junior Achievement of St. Paul	150.00
Junior Achievement of Wichita	1,500.00
Massachusetts Institute of Technology	30,000.00
Mustang Football Organization, Inc.	150.00
National Right to Work Legal Defense Foundation, Inc.	200.00
Rampart College	1,462.50
Rosen Foundation Inc., The Walter and Lucie	10,000.00
Tarkio College	1,000.00
United Fund of the Minneapolis Area	125.00
United Fund of Wichita	2,500.00
United Presbyterian Foundation of Kansas	100.00
United States Ski Educational Foundation	100.00
University of Rochester	15,000.00
University of San Francisco	6,500.00
University of Southern California	500.00
University of Virginia	1,000.00
Wichita Civic Ballet, Inc.	2,100.00
Wichita Collegiate School	11,500.00
Y.M.C.A.	<u>5,150.00</u>
Total	<u>\$181,095.63</u>

THE FRED C. KOCH FOUNDATION, INC.
Individual Scholarships
For the Year Ended December 31, 1972

Beach, William W. University of Missouri, Columbia	\$ 1,750.00
Black, Deborah Friends University	250.00
DeCoursey, Virginia Rockford College	1,000.00
Edwards, Diane L. San Fernando Valley State College, Northridge	250.00
Felton, Mark University of Oklahoma, Norman	1,000.00
Fetler, Mark Eric University of Colorado	500.00
French, Mark Wichita State University	700.00
Gaston, John C. Wichita State University	600.00
Govan, Victoria Friends University	500.00
Grubelich, Greg Rutgers University, New Brunswick	500.00
Johnson, Norma Southwestern State College	400.00
Jones, Malinda Oklahoma State University	800.00
Jones, Nolan C. University of Kansas	500.00

THE FRED C. KOCH FOUNDATION, INC.
Individual Scholarships
For the Year Ended December 31, 1972

Kramer, Samuel L. Grove City College	500.00
Lugenbehl, Dale California State College	500.00
McFarland, Clarissa Freed-Hardemann College	500.00
Mayfield, Mary S. Prairie View A & M	300.00
Patton, Judd Youngstown State University	1,000.00
Pierpont, Catherine Wichita State University	500.00
Rickards, Gary D. University of Wisconsin, Parkside	500.00
Schmidt, Howard E. University of Idaho	1,000.00
Steel, William B., Jr. University of Southern California	750.00
Total	<u>\$14,300.00</u>

Scholarships	\$ 14,300.00
Donations	<u>101,095.63</u>
	<u><u>\$ 115,395.63</u></u>

Fred C Koch Foundation, Inc.

12-31-72

LEGAL PUBLICATIONS

Published in the Wichita Beacon,
May 7, 1973.
Pursuant to section 6146 (d) of the Internal Revenue Code, notice is hereby given that the annual report for the calendar year 1972 of The Fred C. Koch Foundation, Inc. is available at the foundation's principal office, 611 East 20th Street North, Wichita, Kansas, for inspection during regular business hours from 9:00 a.m. to 4:00 p.m. by any citizen who requests it within 60 days after the date of this publication. The administrator is George Pearson.