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EXTENSION TO 11/15/08

Form **990-PF**

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

OMB No. 1545-0052

2007Department of the Treasury
Internal Revenue Service

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2007, or tax year beginning , 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 foundation PRIOR FAMILY FOUNDATION		A Employer identification number 20-6975076
	Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) (340) 775-1555 EXT 245
	P O BOX 12030		C If exemption application is pending, check here ☐
	City or town, state, and ZIP code ST THOMAS VI 00801-5030		D 1 Foreign organizations, check here ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation			2 Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 15,117,064		J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)	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 (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 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)				
	2 Check ☒ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	320	320		
	4 Dividends and interest from securities	318,039	318,039		
	5 a Gross rents				
	b Net rental income or (loss)				
	6 a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)				
	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	318,359	318,359	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest	45	45		
	18 Taxes (attach schedule) (see page 14 of the instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	900	150	750	
	24 Total operating and administrative expenses. Add lines 13 through 23	945	195	750	0
	25 Contributions, gifts, grants paid	545,520			545,520
26 Total expenses and disbursements. Add lines 24 and 25	546,465	195	750	545,520	
27 Subtract line 26 from line 12.					
a Excess of revenue over expenses and disbursements	-228,106				
b Net investment income (if negative, enter -0-)		318,164			
c Adjusted net income (if negative, enter -0-)			0		

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

(HTA)

Form 990-PF (2007)

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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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	1,835,170	1,605,064	1,605,064
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	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)	9,206,000	9,206,000	13,512,000
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	11,041,170	10,811,064	15,117,064
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons		1,943	
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0	1,943	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ ☐			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	27 Capital stock, trust principal, or current funds	11,001,500	1,809,121	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	39,670		
	30 Total net assets or fund balances (see page 17 of the instructions)	11,041,170	1,809,121	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	11,041,170	1,811,064	

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	11,041,170
2 Enter amount from Part I, line 27a	2	-228,106
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	10,813,064
5 Decreases not included in line 2 (itemize) ▶ See attached statement	5	3,943
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	10,809,121

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			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			0
b			0
c			0
d			0
e			0

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

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

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** 0

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):
If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 } **3**

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2006	57,500	10,342,339	0.005560
2005			0.000000
2004			0.000000
2003			0.000000
2002			0.000000

2 Total of line 1, column (d) **2** 0.005560

3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years **3** 0.005560

4 Enter the net value of noncharitable-use assets for 2007 from Part X, line 5 **4** 13,895,719

5 Multiply line 4 by line 3 **5** 77,260

6 Enter 1% of net investment income (1% of Part I, line 27b) **6** 3,182

7 Add lines 5 and 6 **7** 80,442

8 Enter qualifying distributions from Part XII, line 4 **8** 545,520

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 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling letter. (attach copy of ruling letter if necessary—see instructions)		1	3,182
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0
3 Add lines 1 and 2		3	3,182
4 Subtitle A (Income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	3,182
6 Credits/Payments:			
a 2007 estimated tax payments and 2006 overpayment credited to 2007	6a	2,000	
b Exempt foreign organizations—tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	4,000	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	6,000	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ 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	0	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	2,818	
11 Enter the amount of line 10 to be: Credited to 2008 estimated tax 2,818 Refunded	11	0	

Part VII-A Statements Regarding Activities

1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1a		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 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 foundation in connection with the activities		X
1b		X
c Did the foundation file Form 1120-POL for this year?		X
1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ (2) On foundation managers. \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
3		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4a		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
4b	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
6	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV.	X	
7	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <u>NONE</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation		
8b		
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2007 or the taxable year beginning in 2007 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X
10		X

Part VII-A Statements Regarding Activities (continued)

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. (see page 20 of the instructions)	11a		X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	11b	N/A	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ► N/A				
14	The books are in care of ► GERTRUDE J PRIOR, TRUSTEE Telephone no. ► 340 775-1555 EXT.245			
Located at ► 6450 ESTATE SMITH BAY ST THOMAS VI ZIP+4 ► 00802				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ☐ and enter the amount of tax-exempt interest received or accrued during the year ► 15 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.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ☐	1b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007? ☐ Yes ☒ No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions.)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b If "Yes," did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007.)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?If "Yes," attach the statement required by Regulations section 53.4945–5(d) ☐ Yes ☐ No**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If you answered "Yes" to 6b, also file Form 8870.☐ Yes ☒ No**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?☐ Yes ☒ No**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 23 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
GERTRUDE J PRIOR P O BOX 12030 ST THOMAS VI 00801-5030	TRUSTEE 3.00	0	0	0
	.00	0	0	0
	.00	0	0	0
	.00	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 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	.00			
	.00			
	.00			
	.00			
	.00			

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

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***3 Five highest-paid independent contractors for professional services (see page 23 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 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	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 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	
2	
All other program-related investments. See page 24 of the instructions.	
3	
Total. Add lines 1 through 3	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 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	12,448,667
b	Average of monthly cash balances	1b	1,658,662
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	14,107,329
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	
3	Subtract line 2 from line 1d	3	14,107,329
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	4	211,610
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	13,895,719
6	Minimum investment return. Enter 5% of line 5	6	694,786

Part XI Distributable Amount (see page 25 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	694,786
2a	Tax on investment income for 2007 from Part VI, line 5	2a	3,182
b	Income tax for 2007. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3,182
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	691,604
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	691,604
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	691,604

Part XII Qualifying Distributions (see page 26 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	545,520
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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 here and on Part V, line 8, and Part XIII, line 4	4	545,520
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	3,182
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	542,338

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 26 of the instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7				691,604
2 Undistributed income, if any, as of the end of 2006:				
a Enter amount for 2006 only			232,409	
b Total for prior years 20 ____, 20 ____, 20 ____				
3 Excess distributions carryover, if any, to 2007:				
a From 2002	NONE			
b From 2003	NONE			
c From 2004	NONE			
d From 2005	NONE			
e From 2006	NONE			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2007 from Part XII, line 4. ► \$ <u>545,520</u>				
a Applied to 2006, but not more than line 2a			232,409	
b Applied to undistributed income of prior years (Election required—see page 27 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 27 of the instructions)				
d Applied to 2007 distributable amount				313,111
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2007 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2006. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2007. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2008				378,493
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2002 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2003				
b Excess from 2004				
c Excess from 2005				
d Excess from 2006				
e Excess from 2007				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

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 2007, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(j)(3) or ☐ 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2007	(b) 2006	(c) 2005	(d) 2004	
				0
b 85% of line 2a	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed				0
d Amounts included in line 2c not used directly for active conduct of exempt activities				0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon:				
a "Assets" alternative test—enter:				
(1) Value of all assets				0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				0
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)				0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				0
(3) Largest amount of support from an exempt organization				0
(4) Gross investment income				0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 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).)

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 foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 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:

GERTRUDE J PRIOR P O BOX 12030 ST THOMAS VI 00801 340 775-1555 EXT 245

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

LETTERS DESCRIBING THE NATURE AND PURPOSE OF THE REQUEST ARE SUFFICIENT

c Any submission deadlines:

NONE

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

NONE

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	320	
4 Dividends and interest from securities			14	318,039	
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					
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		318,359	0
13 Total. Add line 12, columns (b), (d), and (e)				13	318,359

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

[illegible]

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 (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | Yes | No |
| | | | |
| a Transfers from the reporting foundation to a noncharitable exempt organization of: | | | |
| (1) Cash | 1a(1) | | X |
| (2) Other assets | 1a(2) | | X |
| b Other transactions: | | | |
| (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | X |
| (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | | X |
| (3) Rental of facilities, equipment, or other assets | 1b(3) | | X |
| (4) Reimbursement arrangements | 1b(4) | | X |
| (5) Loans or loan guarantees | 1b(5) | | X |
| (6) Performance of services or membership or fundraising solicitations | 1b(6) | | X |
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | X |
| d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received | | | |

[illegible]

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

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

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

Sign Here

Preparer's
signature

Firm's name (or yours if self-employed), address, and ZIP code

HENRY SINGER CPA

20 VESEY STREET SUITE 401, NEW YORK, NY 10007

Preparer's SSN or PTIN
(See Signature on page 30 of
the instructions)
P00114650

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name HEBREW CONG.OF ST THOMAS				☐ Person	☐ Business
Street P O BOX 266					
City ST THOMAS		State VI	Zip code 00804	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution AUCTION FUNDRAISER SPONSOR					Amount 500

Name HARTFORD SEMINARY				☐ Person	☐ Business
Street 77 SHERMAN ST					
City HARFORD		State CT	Zip code 06105-2260	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution ANNUAL FUND					Amount 1,000

Name ST THOMAS- ST JOHN CHAMBER OF COMMERCE				☐ Person	☐ Business
Street P OBOX 324					
City ST THOMAS		State VI	Zip code 00804	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution SCHOLARSHIP SPONSORSHIP					Amount 4,250

Name UNITED JEWISH COMMUNITIES				☐ Person	☐ Business
Street P O BOX 266					
City ST THOMAS		State VI	Zip code 00804	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution					Amount 5,000

Name ST THOMAS HISTORICAL TRUST				☐ Person	☐ Business
Street P O BOX 6707					
City ST THOMAS		State VI	Zip code 00804	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution HASSEL ISLAND RESTORATION PROJECT					Amount 30,000

Name THE INDIA ASSN ASSN OF THE VI				☐ Person	☐ Business
Street					
City		State	Zip code	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution ANNUAL FUND					Amount 700

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name THE FORUM, INC.				☐ Person	☐ Business
Street P O BOX 12030					
City ST THOMAS		State VI	Zip code 00801	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution 2007-2008 PERFORMING ARTS SEASON					Amount 15,000

Name KNEISEL HALL CHAMBER MUSIC FESTIVAL				☐ Person	☐ Business
Street P O BOX 648					
City BLUE HILL		State ME	Zip code 04614	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution SPONSOR FUNDRAISER					Amount 10,870

Name COMMUNITY FOUNDATION OF THE VI				☐ Person	☐ Business
Street 30 DRONNINGENS GADE					
City ST THOMAS		State VI	Zip code 00802	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution FAMILY CONNECTION CENTER FOR CAREGIVERS					Amount 50,000

Name THE FULBRIGHT ASSOCIATION				☐ Person	☐ Business
Street 666 11TH STREET NW STE 525					
City WASHINGTON		State DC	Zip code 20001	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution ANNUAL FUND					Amount 1,000

Name VATICAN OBSERVATORY FOUNDATION				☐ Person	☐ Business
Street UNIVERSITY OF ARIZONA					
City TUCSON		State AZ	Zip code 85721	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution CAPITAL CAMPAIGN					Amount 34,000

Name METRO INTERNATIONAL				☐ Person	☐ Business
Street 285 WEST BROADWAY SUITE 450					
City NEW YORK		State NY	Zip code 10013	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution ANNUAL FUND					Amount 500

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name ANTILLES SCHOOL				☐ Person	☐ Business
Street FRENCHMAN'S BAY 16-1					
City ST THOMAS		State VI	Zip code 00802	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution ANNUAL FUND					Amount 500

Name				☐ Person	☐ Business
Street					
City		State	Zip code	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution					Amount 0

Name				☐ Person	☐ Business
Street					
City		State	Zip code	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution					Amount 0

Name				☐ Person	☐ Business
Street					
City		State	Zip code	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution					Amount 0

Name				☐ Person	☐ Business
Street					
City		State	Zip code	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution					Amount 0

Name				☐ Person	☐ Business
Street					
City		State	Zip code	Foreign Country	
Relationship		Foundation Status			
Purpose of grant/contribution					Amount 0

Line 23 (990-PF) - Other Expenses

		900	150	750	0
	Description	Revenue and expenses per books	Net investment income	Adjusted net income	Disbursements for charitable purposes
1	Investment fee	150	150	0	0
2	Filing fee	750		750	
3					
4					
5					
6					
7					
8					
9					
10					

Part II, Line 10b (990-PF) - Investments - Corporate Stock

			9,206,000	9,206,000	11,720,000	13,512,000
	Description	Num. shares/ face value	(a) Book value beg. of year	(b) Book value end of year	FMV beg. of year	(c) FMV end of year
1	ATLANTIC TELE NETWORK INC NEW	400,000	9,206,000	9,206,000	11,720,000	13,512,000
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						

Part II, Line 20 (990-PF) - Loans from Officers, Directors, Trustees, Other Disqualified Persons

[illegible]

[illegible]

Part III (990-PF) - Changes in Net Assets or Fund Balances

Line 5 - Decreases not included in Part III, Line 2

1	2006 FEDERAL EXCISE TAX	1	1,943
2	2007 ESTIMATED EXCISE TAX	2	2,000
3	Total	3	3,943

0

[illegible]

**Power of Attorney
and Declaration of Representative**

► Type or print. ► See the separate instructions.

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date ____/____/____

Part I Power of Attorney

Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address

Gertrude J. Prior, Trustee
Prior Family Foundation
P.O. Box 12030, Charlotte Amalie
St. Thomas, VI 00801

Social security number(s)

_____:_____:_____
_____:_____:_____
_____:_____:_____

Employer identification
number

20 : 6975076

Daytime telephone number

(340) 775-1555

Plan number (if applicable)

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address

Marjorie Rawls Roberts, Esq.
One Hibiscus Alley
St. Thomas, VI 00802

CAF No. 2606-27030R

Telephone No. 340-776-7235

Fax No. 340-776-7951

Check if new: Address ☐ Telephone No. ☐ Fax No. ☐

Name and address

Travis Wright, Esq.
c/o Marjorie Rawls Roberts PC
One Hibiscus Alley, St. Thomas, VI 00802

CAF No. _____

Telephone No. 340-776-7235

Fax No. 340-776-7951

Check if new: Address ☐ Telephone No. ☐ Fax No. ☐

Name and address

Michele Hyndman, Esq.
c/o Marjorie Rawls Roberts PC
One Hibiscus Alley, St. Thomas, VI 00802

CAF No. 0307-01766R

Telephone No. 340-776-7235

Fax No. 340-776-7951

Check if new: Address ☐ Telephone No. ☐ Fax No. ☐

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Tax Exempt	990-PF	2006, 2007 & 2008

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. Specific uses not recorded on CAF. ☐

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ► _____

- 7 **Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.
- a If you also want the second representative listed to receive a copy of notices and communications, check this box ☐
- b If you do not want any notices or communications sent to your representative(s), check this box ☐
- 8 **Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here ☐
- YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**
- 9 **Signature of taxpayer(s).** If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested; otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.
- **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

Gertrude J. Prior *6/29/10* **Trustee**
 Signature Date Title (if applicable)

Gertrude J. Prior ☐☐☐☐☐☐ **Prior Family Foundation**
 Print Name PIN Number Print name of taxpayer from line 1 if other than individual

Signature Date Title (if applicable)

☐☐☐☐☐☐
 Print Name PIN Number

Part II Declaration of Representative

Caution: Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II.

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c Enrolled Agent—enrolled as an agent under the requirements of Treasury Department Circular No. 230.
 - d Officer—a bona fide officer of the taxpayer's organization.
 - e Full-Time Employee—a full-time employee of the taxpayer.
 - f Family Member—a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
 - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230).
 - h Unenrolled Return Preparer—the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No. 230, section 10.7(c)(1)(vi). You must have prepared the return in question and the return must be under examination by the IRS. See Unenrolled Return Preparer on page 2 of the instructions.

► **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.** See the Part II instructions

Designation—Insert above letter (a-h)	Jurisdiction (state) or identification	Signature	Date
a	VI, CA	<i>Maggie As Rhut</i>	<i>6/29/10</i>
a	VI, OK	<i>T. C. ...</i>	<i>06/29/10</i>
a	NY	<i>...</i>	<i>6/29/10</i>