NOTICE 2008-6 STATUS CHANGE

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

Return of Private Foundation

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

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

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning , 2008, and ending , 20

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: ARTHUR B SHIPLEY & MAE NELSON SHIPLEY MEMORIAL TRUST

A Employer identification number: 52-6318347

Number and street (or P O box number if mail is not delivered to street address): C/O BB&T 434 FAYETTEVILLE ST. FL 14 — Room/suite:

B Telephone number (see page 10 of the instructions): (919) 716-9045

City or town, state, and ZIP code: RALEIGH, NC 27601

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

D 1 Foreign organizations, check here ▶ [ ]

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

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

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

H Check type of organization: [X] 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) ▶ $ 2,295,295.

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

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)	369,079.			
	2 Check ▶ [ ] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	72,678.	72,473.		STMT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-23,662.			
	b Gross sales price for all assets on line 6a 194,940.				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 **Total** Add lines 1 through 11	418,095.	72,473.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	28,752.	28,752.		
	14 Other employee salaries and wages		NONE	NONE	
	15 Pension plans, employee benefits		NONE	NONE	
	16a Legal fees (attach schedule) STMT 2	5,775.	NONE	NONE	5,775.
	b Accounting fees (attach schedule) STMT 3	1,150.	NONE	NONE	1,150.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) STMT 4	779.	779.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings		NONE	NONE	
	22 Printing and publications		NONE	NONE	
	23 Other expenses (attach schedule) STMT 5	5,391.			
	24 **Total operating and administrative expenses** Add lines 13 through 23	41,847.	29,531.	NONE	6,925.
	25 Contributions, gifts, grants paid	62,674.			62,674.
	26 Total expenses and disbursements Add lines 24 and 25	104,521.	29,531.	NONE	69,599.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	313,574.			
	b **Net investment income** (if negative, enter -0-)		42,942.		
	c **Adjusted net income** (if negative, enter -0-)				

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets			
1 Cash - non-interest-bearing	1,436.		
2 Savings and temporary cash investments	155,642.	399,408	399,408.
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 15 of the instructions)			
7 Other notes and loans receivable (attach schedule) ▶			
Less allowance for doubtful accounts ▶ NONE			
8 Inventories for sale or use			
9 Prepaid expenses and deferred charges			
10 a Investments - U S and state government obligations (attach schedule) STMT 6		280,768.	292,305.
b Investments - corporate stock (attach schedule) STMT 7		826,865.	727,206.
c Investments - corporate bonds (attach schedule) STMT 8		252,187.	252,599.
11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation (attach schedule) ▶			
12 Investments - mortgage loans			
13 Investments - other (attach schedule) STMT 9	2,107,768.	819,194.	623,777.
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)	2,264,846.	2,578,422.	2,295,295.
Liabilities			
17 Accounts payable and accrued expenses			
18 Grants payable			
19 Deferred revenue			
20 Loans from officers, directors, trustees, and other disqualified persons			
21 Mortgages and other notes payable (attach schedule)			
22 Other liabilities (describe ▶)			
23 **Total liabilities** (add lines 17 through 22)			
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	2,264,846.	2,578,422.	
28 Paid-in or capital surplus, or land, bldg , and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds			
30 **Total net assets or fund balances** (see page 17 of the instructions)	2,264,846.	2,578,422.	
31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)	2,264,846.	2,578,422.	

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	2,264,846.
2 Enter amount from Part I, line 27a	2	313,574.
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 10	3	2.
4 Add lines 1, 2, and 3	4	2,578,422.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,578,422.

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	SEE PART IV DETAIL			
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				
b				
c				
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
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** -23,662.

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))
2007			
2006			
2005			
2004			
2003			

2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII, line 4	8	

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)

1a	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)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	859.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	859.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	NONE
5	**Tax based on investment income** Subtract line 4 from line 3 If zero or less, enter -0-	5	859.
6	Credits/Payments		
a	2008 estimated tax payments and 2007 overpayment credited to 2008 — 6a		
b	Exempt foreign organizations-tax withheld at source — 6b NONE		
c	Tax paid with application for extension of time to file (Form 8868) — 6c NONE		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	NONE
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	31.
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	890.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be. **Credited to 2009 estimated tax** ▶ Refunded ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ ________ (2) On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ STMT 11			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses* STMT 12	10	X	

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(3)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	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 ▶ BRANCH BANKING AND TRUST COMPANY Telephone no ▶ (410)230-1064

Located at ▶ 111 S. CALVERT ST, STE 2810, BALTIMORE, MD ZIP + 4 ▶ 21202-6174

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

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 20 of the instructions)?		1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?		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 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? If "Yes," list the years ▶ ____, ____, ____, ____	☐ Yes ☒ No			
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 20 of the instructions.)		2b		X
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2008 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 2008.)*		3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?		4b		X

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

			Yes	No
5a	During the year did the foundation pay or incur any amount to:			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 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)?	5b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945-5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		X
	If you answered "Yes" to 6b, also file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 13		28,752.	-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		NONE	NONE	NONE

Total number of other employees paid over $50,000 ▶ NONE

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services (see 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		NONE

Total number of others receiving over $50,000 for professional services . . . ▶ NONE

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 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 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3 . . . ▶	

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	2,257,667.
b	Average of monthly cash balances	1b	146,798.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	NONE
d	**Total** (add lines 1a, b, and c)	1d	2,404,465.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	2,404,465.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	36,067.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,368,398.
6	**Minimum investment return.** Enter 5% of line 5	6	118,420.

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	118,420.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	859.		
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	859.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	117,561.
4	Recoveries of amounts treated as qualifying distributions			4	NONE
5	Add lines 3 and 4			5	117,561.
6	Deduction from distributable amount (see page 25 of the instructions)			6	NONE
7	**Distributable amount** as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	117,561.

Part XII **Qualifying Distributions** (see page 25 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	69,599.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	69,599.
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	N/A
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	69,599.

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 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7					117,561.
2 Undistributed income, if any, as of the end of 2007.					
a Enter amount for 2007 only				NONE	
b Total for prior years 20____, 20____, 20____			NONE		
3 Excess distributions carryover, if any, to 2008					
a From 2003	NONE				
b From 2004	NONE				
c From 2005	NONE				
d From 2006	NONE				
e From 2007	NONE				
f **Total** of lines 3a through e		NONE			
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ $ 69,599.					
a Applied to 2007, but not more than line 2a				NONE	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)			NONE		
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)		NONE			
d Applied to 2008 distributable amount					69,599.
e Remaining amount distributed out of corpus		NONE			
5 Excess distributions carryover applied to 2008 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		NONE			NONE
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		NONE			
b Prior years' undistributed income Subtract line 4b from line 2b			NONE		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			NONE		
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions			NONE		
e Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				NONE	
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009					47,962.
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)		NONE			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)		NONE			
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a		NONE			
10 Analysis of line 9					
a Excess from 2004	NONE				
b Excess from 2005	NONE				
c Excess from 2006	NONE				
d Excess from 2007	NONE				
e Excess from 2008	NONE				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling . . . . ▶

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

	Tax year	Prior 3 years			
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see page 27 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))

N/A

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

N/A

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

Check here ▶ [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see 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:

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE STATEMENT 15				
Total . . . . ▶ **3a**				62,674.
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	72,678.	
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	-23,662.	
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)				49,016.	

13 **Total** Add line 12, columns (b), (d), and (e) . . . . . 13 49,016.

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 28 of the instructions)
	NOT APPLICABLE

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

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

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

▶ [signature] 01/26/2010 ▶ VICE PRESIDENT

Signature of officer or trustee BRANCH BANKING & TRUST CO Date Title

Paid Preparer's Use Only

Preparer's signature ▶ [signature]	Date 01/26/2010	Check if self-employed ▶ ☐	Preparer's identifying number (See Signature on page 30 of the instructions) P00541305
Firm's name (or yours if self-employed), address, and ZIP code ▶	THOMSON REUTERS (TAX & ACCOUNTING) 9711 FARRAR COURT, SUITE 110 RICHMOND, VA 23236		EIN ▶ 75-1297386 Phone no 804-727-3152

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, and 990-PF.

OMB No 1545-0047

2008

Name of the organization

ARTHUR B SHIPLEY & MAE NELSON SHIPLEY

Employer identification number

52-6318347

Organization type (check one)

Filers of: **Section:**

Form 990 or 990-EZ

☐ 501(c)( ) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions.)

General Rule

☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1 Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than $1,000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year.) . . . . ▶ $ ____________

Caution. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization: ARTHUR B SHIPLEY & MAE NELSON SHIPLEY

Employer identification number: 52-6318347

Part I **Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	MAE NELSON SHIPLEY ESTATE 127 E MAIN STREET WESTMINSTER, MD 21157-5012	$ 369,079.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

SCHEDULE D (Form 1041)

Department of the Treasury Internal Revenue Service

Capital Gains and Losses

► Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2008

Name of estate or trust: ARTHUR B SHIPLEY & MAE NELSON SHIPLEY

Employer identification number: 52-6318347

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

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a SHORT-TERM CAPITAL GAIN DIVIDENDS		STMT 1			718.

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-3,375.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2007 Capital Loss Carryover Worksheet	4	( )
5 **Net short-term gain or (loss).** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ►	5	-2,657.

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS		STMT 1			3,052.

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-24,057.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2007 Capital Loss Carryover Worksheet	11	( )
12 **Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ►	12	-21,005.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. **Schedule D (Form 1041) 2008**

Part III Summary of Parts I and II
Caution: *Read the instructions **before** completing this part.*

			(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13			-2,657.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			-21,005.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b			
c	28% rate gain	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			-23,662.

Note: *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and **do not** complete Part IV If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet,** as necessary*

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of:
a The loss on line 15, column (3) **or** b $3,000 ... 16 (3,000)

Note: *If the loss on line 15, column (3), is more than $3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover*

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero

Caution: *Skip this part and complete the worksheet on page 8 of the instructions if·*
- *Either line 14b, col. (2) or line 14c, col (2) is more than zero, or*
- *Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.*

Form 990-T trusts Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)			17			
18	Enter the **smaller** of line 14a or 15 in column (2) but not less than zero	18					
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19					
20	Add lines 18 and 19	20					
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21					
22	Subtract line 21 from line 20 If zero or less, enter -0-			22			
23	Subtract line 22 from line 17. If zero or less, enter -0-			23			
24	Enter the **smaller** of the amount on line 17 or $2,200			24			
25	Is the amount on line 23 equal to or more than the amount on line 24? ☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box ☐ **No.** Enter the amount from line 23			25			
26	Subtract line 25 from line 24			26			
27	Are the amounts on lines 22 and 26 the same? ☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the **smaller** of line 17 or line 22			27			
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)			28			
29	Subtract line 28 from line 27			29			
30	Multiply line 29 by 15% (.15)					30	
31	Figure the tax on the amount on line 23. Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions)					31	
32	Add lines 30 and 31					32	
33	Figure the tax on the amount on line 17. Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions)					33	
34	**Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on line 1a of Schedule G, Form 1041 (or line 36 of Form 990-T)					34	

SGHEDULE D-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ See instructions for Schedule D (Form 1041).
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

OMB No 1545-0092

2008

Name of estate or trust: ARTHUR B SHIPLEY & MAE NELSON SHIPLEY

Employer identification number: 52-6318347

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a 1000. BB&T MID CAP VALUE FUND FUND #063/TRUST SHARES	03/29/2007	02/07/2008	11,680.00	14,610.00	-2,930.00
100. TIME WARNER INC COMMON	03/29/2007	02/07/2008	1,552.00	1,997.00	-445.00

1b Total. Combine the amounts in column (f). Enter here and on Schedule D line 1b . . . . -3,375.00

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2008

JSA
8F1221 2 000

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side: ARTHUR B SHIPLEY & MAE NELSON SHIPLEY

Employer identification number: 52-6318347

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

(a) Description of property (Example: 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 4745. BB&T INTER US GOVT BD FUND TR SHS	09/25/2002	02/07/2008	48,731.00	50,866.00	-2,135.00
7166.569 BB&T SMALL CAP CL I FUND # 0314	11/20/2006	02/07/2008	85,139.00	74,065.00	11,074.00
242. LINCOLN NATL CORP IND	06/19/2003	02/07/2008	12,584.00	11,327.00	1,257.00
200. LOWES COS INC	06/19/2003	02/07/2008	4,812.00	4,529.00	283.00
300. TIME WARNER INC COMMON	12/06/2006	02/07/2008	4,656.00	6,130.00	-1,474.00
60. AMERICAN EXPRESS CO COM STK*	06/19/2003	03/27/2008	2,720.00	2,276.00	444.00
100. AMGEN INC	05/02/2006	03/27/2008	4,146.00	6,600.00	-2,454.00
250. CITIGROUP INC	05/02/2006	03/27/2008	5,442.00	11,674.00	-6,232.00
200. MERRILL LYNCH & CO	06/19/2003	03/27/2008	8,774.00	9,330.00	-556.00
.544 FAIRPOINT COMMUNICATIONS INC COMMON	11/28/2006	04/07/2008	5.00	5.00	
7. FAIRPOINT COMMUNICATIONS INC COMMON	11/28/2006	04/22/2008	60.00	65.00	-5.00
390. AMERICAN INTERNATIONAL GROUP*	11/21/2006	09/17/2008	869.00	25,128.00	-24,259.00

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b . . . . -24,057.00

ARTHUR B SHIPLEY & MAE NELSON SHIPLEY 52-6318347

FEDERAL CAPITAL GAIN DIVIDENDS

SHORT-TERM CAPITAL GAIN DIVIDENDS		
FIDELITY ADVISOR STRATEGIC INC FD CLASS I	718.00	
TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS		718.00
LONG-TERM CAPITAL GAIN DIVIDENDS		
15% RATE CAPITAL GAIN DIVIDENDS		
BB&T CAPITAL APPRECIATION FUND FUND #61/TRUST	2,857.00	
FIDELITY ADVISOR STRATEGIC INC FD CLASS I	196.00	
TOTAL 15% RATE CAPITAL GAIN DIVIDENDS		3,052.00
TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS		3,052.00

STATEMENT 1

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS					718.	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					3,052.	
		4745. BB&T INTER US GOVT BD FUND TR SHS PROPERTY TYPE: SECURITIES					09/25/2002	02/07/2008
48,731.00		50,866.00					-2,135.00	
		1000. BB&T MID CAP VALUE FUND FUND #063/ PROPERTY TYPE: SECURITIES					03/29/2007	02/07/2008
11,680.00		14,610.00					-2,930.00	
		7166.569 BB&T SMALL CAP CL I FUND # 0314 PROPERTY TYPE: SECURITIES					11/20/2006	02/07/2008
85,139.00		74,065.00					11,074.00	
		242. LINCOLN NATL CORP IND PROPERTY TYPE: SECURITIES					06/19/2003	02/07/2008
12,584.00		11,327.00					1,257.00	
		200. LOWES COS INC PROPERTY TYPE: SECURITIES					06/19/2003	02/07/2008
4,812.00		4,529.00					283.00	
		100. TIME WARNER INC COMMON PROPERTY TYPE: SECURITIES					03/29/2007	02/07/2008
1,552.00		1,997.00					-445.00	
		300. TIME WARNER INC COMMON PROPERTY TYPE: SECURITIES					12/06/2006	02/07/2008
4,656.00		6,130.00					-1,474.00	
		60. AMERICAN EXPRESS CO COM STK* PROPERTY TYPE: SECURITIES					06/19/2003	03/27/2008
2,720.00		2,276.00					444.00	
		100. AMGEN INC PROPERTY TYPE: SECURITIES					05/02/2006	03/27/2008
4,146.00		6,600.00					-2,454.00	
		250. CITIGROUP INC PROPERTY TYPE: SECURITIES					05/02/2006	03/27/2008
5,442.00		11,674.00					-6,232.00	

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		200. MERRILL LYNCH & CO PROPERTY TYPE: SECURITIES					06/19/2003	03/27/2008
8,774.00		9,330.00					-556.00	
		.544 FAIRPOINT COMMUNICATIONS INC COMMON PROPERTY TYPE: SECURITIES					11/28/2006	04/07/2008
5.00		5.00						
		7. FAIRPOINT COMMUNICATIONS INC COMMON PROPERTY TYPE: SECURITIES					11/28/2006	04/22/2008
60.00		65.00					-5.00	
		390. AMERICAN INTERNATIONAL GROUP* PROPERTY TYPE: SECURITIES					11/21/2006	09/17/2008
869.00		25,128.00					-24,259.00	
TOTAL GAIN(LOSS)							-23,662.	

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

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT INCOME		72,678.	72,473.
	TOTAL	72,678.	72,473.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
LEGAL FEES - PRINCIPAL (ALLOCA	5,775.			5,775.
TOTALS	5,775.	NONE	NONE	5,775.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPCSES
AUDIT & ACCOUNTING FEES (ALLOC	750.			750.
TAX PREPARATION FEE (NON-ALLOC	400.			400.
TOTALS	1,150.	NONE	NONE	1,150.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES ON QUALIFIED FOR	779.	779.
TOTALS	779.	779.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS
STATE TAXES PD 1041		1,422.
FEDERL TAXES PD 1041		3,969.
	TOTALS	5,391.

ARTHUR B SHIPLEY & MAE NELSON SHIPLEY 52-6318347

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

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SEE ATTACHED LIST OF ASSETS	280,768.	292,305.
TOTALS	280,768.	292,305.

ARTHUR B SHIPLEY & MAE NELSON SHIPLEY 52-6318347

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SEE ATTACHED LIST OF ASSETS	826,865.	727,206.
TOTALS	826,865.	727,206.

ARTHUR B SHIPLEY & MAE NELSON SHIPLEY 52-6318347

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SEE ATTACHED LIST OF ASSETS	252,187.	252,599.
TOTALS	252,187.	252,599.

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	COST/ FMV C OR F	ENDING BOOK VALUE	ENDING FMV
SEE ATTACHED LIST OF ASSETS	C	819,194.	623,777.
TOTALS		819,194.	623,777.

Statement Period	01/01/2008 through 12/31/2008
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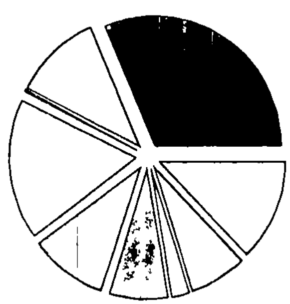
	BRANCH BANKING AND TRUST COMPANY
	T/U/A MAE NELSON SHIPLEY FBO
	WINFIELD FIRE

Preliminary Asset Summary As Of 12/31/2008

DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
MONEY MARKET	399,407 68	399,407 68	17	611 54
US GOVERNMENT AGENCY BDS/NOTES	292,304 75	280,767 80	13	4,045 75
CORPORATE BDS	252,599 50	252,187 00	11	5,041 11
MUTUAL FDS-EQUITY	174,446 77	262,638 31	8	244 43
MUTUAL FDS-CORP BDS	232,621 82	258,969 00	10	1,085 01
MUTUAL FDS-GOV BDS	52,506 17	51,633 59	2	202 63
MUTUAL FDS-INTL EQUITY	164,202 49	245,953 00	7	0 00
COMMON STOCK	719,224 85	815,943 05	31	1,935 49
FOREIGN STOCK	7,981 00	10,922 40	0	0 00
TOTAL INVESTMENTS	2,295,295 03	2,578,421 83		13,165 96
CASH	0 00			
DUE FROM BROKER	0 00			
DUE TO BROKER	0 00			
ACCRUED INCOME	13,165.96			
TOTAL MARKET VALUE	2,308,460 99			

Ending Asset Allocation



31 3%	COMMON STOCK	719, 224 85
11 0%	CORPORATE BDS	252, 599 50
0 3%	FOREIGN STOCK	7, 981 00
17. 4%	MONEY MARKET	399, 407 68
10 2%	MUTUAL FDS-CORP BDS	232, 621. 82
7 6%	MUTUAL FDS-EQUITY	174, 446 77
2 3%	MUTUAL FDS-GOV BDS	52, 506. 17
7 2%	MUTUAL FDS-INTL EQUITY	164, 202 49
12 7%	US GOVERNMENT AGENCY BDS/NOTES	292, 304 75
100 0%	Total	2, 295, 295 03

Statement Period	01/01/2008 through 12/31/2008
Account Number	1532000591
	BRANCH BANKING AND TRUST COMPANY T/U/A MAE NELSON SHIPLEY FBO WINFIELD FIRE

Preliminary Asset Detail As Of 12/31/2008

UNITS/BOOK VALUE	DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
	MONEY MARKET				
399,407 68	CUSIP # 05527P685 BB&T PRIME MONEY MARKET CL I FUND # 0350	399,407.68	399,407.68	17	611.54
		399,407.68	399,407 68	17	611 54
	US GOVERNMENT AGENCY BDS/NOTES				
75,000	CUSIP # 3133XBB20 FED HOME LOAN BANK DTD 3/17/05 4 375% 03/17/2010	78,234 75	75,642 30	3	938 80
100,000	CUSIP # 3134A4QD9 FED HOME LOAN MORT CORP DTD 7/16/02 5.125% 07/15/2012	110,469 00	101,500 00	5	2,348 96
100,000	CUSIP # 31359MRK1 FED NATL MTG ASSN DTD 4/21/03 4 625% 05/01/2013	103,601 00	103,625 50	4	757 99
		292,304.75	280,767 80	13	4,045 75
	CORPORATE BDS				
100,000	CUSIP # 066050CV5 BANK OF AMERICA CORP DTD 2/8/1999 5 875% 02/15/2009	100,175.00	101,709 00	4	2,203 13
100,000	CUSIP # 17275RAB8 CISCO SYSTEMS INC DTD 02/22/06 5 25% 02/22/2011	103,813 00	100,671 00	4	1,866 67
50,000	CUSIP # 59018YVV0 MERRILL LYNCH & CO DTD 8/4/05 4 79% 08/04/2010	48,611 50	49,807 00	2	971 31

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BRANCH BANKING AND TRUST COMPANY
T/U/A MAE NELSON SHIPLEY FBO
WINFIELD FIRE

Preliminary Asset Detail As Of 12/31/2008

UNITS/BOOK VALUE	DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
		252,599 50	252,187 00	11	5,041 11
	MUTUAL FDS-EQUITY				
8,260 57	CUSIP # 05527P289 BB&T MID CAP VALUE CL I FUND # 0312	67,571 46	101,468 42	3	244 43
7,557 243	CUSIP # 05527P339 BB&T MID CAP GROWTH CL I FUND # 313	53,656.43	81,169 89	2	0 00
6,866.952	CUSIP # 31421R759 FEDERATED MDT SMALL CAP GROWTH FUND CL I FUND #284	53,218 88	80,000 00	2	0 00
		174,446 77	262,638 31	8	244 43
	MUTUAL FDS-CORP BDS				
10,286.894	CUSIP # 05527P537 BB&T TOTAL RETURN BOND CL I FUND # 0342	103,794 76	106,715.00	4	399 45
13,052 387	CUSIP # 315920801 FIDELITY ADVISOR STRATEGIC INC FD CLASS I FUND 648	128,827 06	152,254 00	6	685 56
		232,621 82	258,969 00	10	1,085 01
	MUTUAL FDS-GOV BDS				
5,000 588	CUSIP # 05527P206 BB&T INTER U S GOVT CL I FUND # 0341	52,506 17	51,633 59	2	202 63
		52,506 17	51,633 59	2	202 63
	MUTUAL FDS-INTL EQUITY				
4,092 784	CUSIP # 411511306 HARBOR INTERNATIONAL FUND INST CLASS #11	164,202 49	245,953.00	7	0 00

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Preliminary Asset Detail As Of 12/31/2008

UNITS/BOOK VALUE	DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
		164,202 49	245,953 00	7	0 00
	COMMON STOCK				
871	CUSIP # 00206R102 AT&T INC COMMON	24,823 50	19,495.94	1	0 00
275	CUSIP # 002824100 ABBOTT LABORATORIES COMMON	14,676.75	12,214 00	1	0 00
265	CUSIP # 009158106 AIR PRODUCTS AND CHEMICALS INC COMMON	13,321 55	11,922 05	1	116 60
325	CUSIP # 02209S103 ALTRIA GROUP INC COMMON	4,894 50	4,999.79	0	104.00
200	CUSIP # 025816109 AMERICAN EXPRESS COMPANY COMMON	3,710.00	7,585 35	0	0.00
250	CUSIP # 031162100 AMGEN INC COMMON	14,437 50	15,609.90	1	0.00
260	CUSIP # 032511107 ANADARKO PETE CORP COMMON	10,023 00	5,957 90	0	0 00
300	CUSIP # 053015103 AUTOMATIC DATA PROCESSING COMMON	11,802 00	10,706 86	1	99 00
500	CUSIP # 060505104 BANK OF AMERICA CORP COMMON	7,040 00	19,964 00	0	0 00
200	CUSIP # 166764100 CHEVRON CORP COMMON	14,794 00	9,373.00	1	0 00
1,500	CUSIP # 17275R102 CISCO SYSTEMS COMMON	24,450 00	33,318.61	1	0 00
500	CUSIP # 172967101 CITIGROUP INC COMMON	3,355 00	20,148 00	0	0 00

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BRANCH BANKING AND TRUST COMPANY
T/U/A MAE NELSON SHIPLEY FBO
WINFIELD FIRE

Preliminary Asset Detail As Of 12/31/2008

UNITS/BOOK VALUE	DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
420	CUSIP # 20825C104 CONOCOPHILLIPS	21,756 00	11,510 10	1	0.00
125	CUSIP # 209115104 CONSOLIDATED EDISON INC COMMON	4,866 25	5,160 00	0	0.00
1,150	CUSIP # 24702R101 DELL INC COMMON	11,776 00	30,308 98	1	0.00
790	CUSIP # 254687106 THE WALT DISNEY COMPANY COMMON	17,925 10	15,660 70	1	276 50
420	CUSIP # 26441C105 DUKE ENERGY CORPORATION COMMON	6,304 20	4,978 86	0	0.00
500	CUSIP # 278642103 EBAY INC COMMON	6,980 00	16,445 99	0	0 00
560	CUSIP # 291011104 EMERSON ELECTRIC COMPANY COMMON	20,501 60	15,047 20	1	0 00
150	CUSIP # 30161N101 EXELON CORP	8,341 50	5,448 00	0	0 00
400	CUSIP # 30231G102 EXXON MOBIL CORPORATION COMMON	31,932 00	18,130 95	1	0 00
850	CUSIP # 369604103 GENERAL ELECTRIC COMPANY COMMON	13,770 00	27,024 40	1	263 50
600	CUSIP # 428236103 HEWLETT PACKARD COMPANY COMMON	21,774 00	14,446.50	1	48 00
1,250	CUSIP # 458140100 INTEL COMMON	18,325 00	27,216 28	1	0.00
190	CUSIP # 459200101 INTERNATIONAL BUSINESS MACHINES COMMON	15,990.40	16,537.95	1	0 00
875	CUSIP # 46625H100 J P MORGAN CHASE & CO COMMON	27,588 75	37,687 81	1	0 00

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	BRANCH BANKING AND TRUST COMPANY
	T/U/A MAE NELSON SHIPLEY FBO
	WINFIELD FIRE

Preliminary Asset Detail As Of 12/31/2008

UNITS/BOOK VALUE	DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
575	CUSIP # 478160104 JOHNSON & JOHNSON COMMON	34,402.25	34,612 58	1	0 00
600	CUSIP # 478366107 JOHNSON CONTROLS INC COMMON	10,896 00	12,416 95	0	78.00
190	CUSIP # 494368103 KIMBERLY-CLARK CORP COMMON	10,020 60	9,845 06	0	110 20
300	CUSIP # 50075N104 KRAFT FOODS INC-A COMMON	8,055 00	7,539 69	0	87 00
255	CUSIP # 585055106 MEDTRONIC INC COMMON	8,012 10	12,364 95	0	47.81
550	CUSIP # 589331107 MERCK & CO INC COMMON	16,720 00	27,544 24	1	209.00
300	CUSIP # 590188108 MERRILL LYNCH & COMPANY INC COMMON	3,492 00	16,025 60	0	0 00
1,000	CUSIP # 594918104 MICROSOFT CORP COMMON	19,440.00	28,223.00	1	0 00
500	CUSIP # 68389X105 ORACLE SYS CORP COMMON	8,865.00	7,255.60	0	0 00
220	CUSIP # 713448108 PEPSICO INC COMMON	12,049.40	9,829 60	1	93 50
1,000	CUSIP # 717081103 PFIZER INC COMMON	17,710 00	29,920 61	1	0 00
325	CUSIP # 718172109 PHILLIP MORRIS INTL INC COMMON	14,140 75	11,392 96	1	175 50
400	CUSIP # 742718109 PROCTER AND GAMBLE COMMON	24,728 00	26,464 49	1	0 00
300	CUSIP # 806857108 SCHLUMBERGER LTD COMMON	12,699 00	11,276 40	1	63 00

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BRANCH BANKING AND TRUST COMPANY
T/U/A MAE NELSON SHIPLEY FBO
WINFIELD FIRE

Preliminary Asset Detail As Of 12/31/2008

UNITS/BOOK VALUE	DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
175	CUSIP # 842587107 SOUTHERN COMPANY COMMON	6,475 00	5,232 50	0	0.00
225	CUSIP # 867914103 SUNTRUST BANKS INC COMMON	6,646 50	14,591 25	0	0 00
500	CUSIP # 87612E106 TARGET CORP COM COMMON	17,265 00	21,312 97	1	0 00
270	CUSIP # 882508104 TEXAS INSTRUMENTS COMMON	4,190 40	5,119 20	0	0 00
475	CUSIP # 886547108 TIFFANY AND COMPANY COMMON	11,224 25	17,444 25	0	80 75
300	CUSIP # 89417E109 THE TRAVELERS COMPANIES INC COMMON	13,560 00	11,750 25	1	0 00
100	CUSIP # 911312106 UNITED PARCEL SERVICES B	5,516 00	6,704 00	0	0 00
320	CUSIP # 913017109 UNITED TECHNOLOGIES COMMON	17,152 00	11,534.40	1	0 00
400	CUSIP # 92343V104 VERIZON COMMUNICATIONS INC	13,560 00	14,891 68	1	0.00
350	CUSIP # 931142103 WAL - MART STORES COMMON	19,621 00	17,840 40	1	83 13
800	CUSIP # 949746101 WELLS FARGO & CO COMMON	23,584 00	23,399.30	1	0 00
100	CUSIP # 98956P102 ZIMMER HOLDINGS INC COMMON	4,042 00	4,512.00	0	0 00
		719,224 85	815,943 05	31	1,935 49
	FOREIGN STOCK				
460	CUSIP # G4776G101 INGERSOLL RAND COMPANY LIMITED CL A COMMON	7,981 00	10,922 40	0	0 00

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	BRANCH BANKING AND TRUST COMPANY
	T/U/A MAE NELSON SHIPLEY FBO
	WINFIELD FIRE

Preliminary Asset Detail As Of 12/31/2008

UNITS/BOOK VALUE	DESCRIPTION	MARKET VALUE	COST	% OF PORT	ACCRUED INCOME
		7,981 00	10,922 40	0	0 00
	TOTAL INVESTMENTS	2,295,295 03			
	CASH	0 00			
	DUE FROM BROKER	0 00			
	DUE TO BROKER	0.00			
	NET ASSETS	2,295,295.03			
	ACCRUED INCOME	13,165 96			
	TOTAL MARKET VALUE	2,308,460 99			

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

DESCRIPTION		AMOUNT
ROUNDING		2.
	TOTAL	2.

STATE(S) WHERE THE FOUNDATION IS REGISTERED
===
MD

STATEMENT 11

ARTHUR B SHIPLEY & MAE NELSON SHIPLEY 52-6318347

FORM 990PF, PART VII-A - NEW SUBSTANTIAL CONTRIBUTORS
===

NAME AND ADDRESS

MAE NELSON SHIPLEY ESTATE
127 E MAIN STREET
WESTMINSTER, MD 21157-5012

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

OFFICER NAME:
BRANCH BANKING AND TRUST COMPANY
ADDRESS:
111 S. CALVERT ST, STE 2810
BALTIMORE, MD 21202-6174
TITLE:
TRUSTEE
AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40
COMPENSATION .... 28,752.

TOTAL COMPENSATION: 28,752.

AVERAGE MONTHLY FMV - 990PF, PART X, LINES 1a-1c

MONTH	LINE 1a-FMV SECURITIES	LINE 1b-FMV CASH BALANCES	LINE 1c-FMV OTHER ASSETS
JANUARY	2,359,757.	161,347.	
FEBRUARY	2,425,678.	65,323.	
MARCH	2,405,368.	48,769.	
APRIL	2,479,609.	50,666.	
MAY	2,496,084.	52,579.	
JUNE	2,349,443.	42,121.	
JULY	2,336,136.	45,256.	
AUGUST	2,334,145.	48,975.	
SEPTEMBER	2,203,968.	36,750.	
OCTOBER	1,941,810.	406,761.	
NOVEMBER	1,864,113.	403,626.	
DECEMBER	1,895,887.	399,408.	
TOTAL	27,091,998.	1,761,581.	
AVERAGE FMV	2,257,667.	146,798.	

ARTHUR B SHIPLEY & MAE NELSON SHIPLEY 52-6318347
FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID

RECIPIENT NAME:
WINFIELD COMMUNITY VOL FIRE DEPT
ADDRESS:
1320 WEST OLD LIBERTY RD
SYKESVILLE, MD 21784
RELATIONSHIP:
NONE
PURPOSE OF GRANT:
FINANCIAL SUPPORT
FOUNDATION STATUS OF RECIPIENT:
EXEMPT
AMOUNT OF GRANT PAID .... 62,674.

TOTAL GRANTS PAID: 62,674.

FEDERAL FOOTNOTES

THIS ACCOUNT RECENTLY OBTAINED A DETERMINATION LETTER FROM THE INTERNAL REVENUE SERVICE CLASSIFYING THIS ACCOUNT AS A 501(C)(3) SUPPORTING ORGANIZATION. FORM 990-PF IS BEING FILED BASED ON THIS DETERMINATION.