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

2009

For calendar year 2009, or tax year beginning , 2009, and ending ,

G Check all that apply [ ] Initial return [X] Initial Return of a former public charity [ ] Final return
[ ] Amended return [ ] Address change [ ] Name change

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

THE HARVEST FOUNDATION OF THE PIEDMONT
PO BOX 5183
MARTINSVILLE, VA 24115

A Employer identification number 31-1496872

B Telephone number (see the instructions) (276) 632-3329

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, column (c), line 16) ▶ $ 185,146,686.

J Accounting method [ ] Cash [X] 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 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 (att sch)				
	2 Ck ▶ [X] if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	87,013.	87,013.		
	4 Dividends and interest from securities	4,916,771.	4,916,771.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	281,253.			
	b Gross sales price for all assets on line 6a 51,129,185.				
	7 Capital gain net income (from Part IV, line 2)		281,253.		
	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/(loss) (att sch)				
	11 Other income (attach schedule) SEE STATEMENT 1	-957,054.	-957,054.	3,145.	
	12 **Total.** Add lines 1 through 11	4,327,983.	4,327,983.	3,145.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	162,715.	16,272.		146,469.
	14 Other employee salaries and wages	375,635.	16,355.		359,280.
	15 Pension plans, employee benefits	74,451.	4,101.		75,037.
	16a Legal fees (attach schedule) SEE ST 2	12,168.	1,217.		5,981.
	b Accounting fees (attach sch) SEE ST 3	3,050.	1,525.		1,060.
	c Other prof fees (attach sch) SEE ST 4	1,295,132.	1,195,862.		121,047.
	17 Interest				
	18 Taxes (attach schedule)(see instr) SEE STM 5	193,537.	2,198.		38,859.
	19 Depreciation (attach sch) and depletion	42,858.			
	20 Occupancy	26,733.	2,673.		24,060.
	21 Travel, conferences, and meetings	35,919.	3,592.		36,784.
	22 Printing and publications	3,982.	398.		3,416.
	23 Other expenses (attach schedule) SEE STATEMENT 6	210,887.	7,605.		212,547.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	2,437,067.	1,251,798.		1,024,540.
	25 Contributions, gifts, grants paid PART XV	3,251,777.			7,293,754.
	26 **Total expenses and disbursements.** Add lines 24 and 25	5,688,844.	1,251,798.	0.	8,318,294.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-1,360,861.			
	b **Net investment income** (if negative, enter 0)		3,076,185.		
	c **Adjusted net income** (if negative, enter -0-)			3,145.	

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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	81,811.	47,243.	47,243.
	2	Savings and temporary cash investments	661.	24,314,396.	24,314,396.
	3	Accounts receivable ► 15,812.			
		Less allowance for doubtful accounts ►	3,002.	15,812.	15,812.
	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 the instructions)			
	7	Other notes and loans receivable (attach sch) ► 340,000.	STATEMENT 7		
		Less allowance for doubtful accounts ►		340,000.	340,000.
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	12,866.	12,823.	12,823.
	10a	Investments – U S and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) STATEMENT 8	10,168,003.	12,709,782.	12,709,782.
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ► 295,515.			
		Less accumulated depreciation (attach schedule) SEE STMT 9 ► 111,412.	189,704.	184,103.	184,103.
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) STATEMENT 10	148,314,053.	147,380,533.	147,380,533.
	14	Land, buildings, and equipment basis ► 286,033.			
		Less: accumulated depreciation (attach schedule) SEE STMT 11 ► 156,825.	158,786.	129,208.	129,208.
	15	Other assets (describe ► SEE STATEMENT 12)	16,678.	12,786.	12,786.
	16	**Total assets** (to be completed by all filers – see instructions Also, see page 1, item I)	158,945,564.	185,146,686.	185,146,686.
LIABILITIES	17	Accounts payable and accrued expenses	176,759.	116,671.	
	18	Grants payable	24,665,409.	20,623,433.	
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ► SEE STATEMENT 13)		850,963.	
	23	**Total liabilities** (add lines 17 through 22)	24,842,168.	21,591,067.	
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here ► [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	134,103,396.	163,555,619.	
	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			
	28	Paid in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see the instructions)	134,103,396.	163,555,619.	
	31	**Total liabilities and net assets/fund balances** (see the instructions)	158,945,564.	185,146,686.	

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	134,103,396.
2	Enter amount from Part I, line 27a	2	-1,360,861.
3	Other increases not included in line 2 (itemize) ► SEE STATEMENT 14	3	31,526,658.
4	Add lines 1, 2, and 3	4	164,269,193.
5	Decreases not included in line 2 (itemize) ► SEE STATEMENT 15	5	713,574.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	163,555,619.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	VARIOUS VARIOUS INVESTMENTS	P	VARIOUS	VARIOUS
b	VARIOUS SHORT TERM CAPITAL GAIN FROM K-1	P	VARIOUS	VARIOUS
c	VARIOUS LONG TERM CAPITAL GAIN FROM K-1	P	VARIOUS	VARIOUS
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	44,576,414.		50,847,932.	-6,271,518.
b	2,720,788.			2,720,788.
c	3,831,983.			3,831,983.
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				-6,271,518.
b				2,720,788.
c				3,831,983.
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	281,253.
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 the instructions). If (loss), enter -0- in Part I, line 8	3	0.

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) N/A

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 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 (column (b) divided by column (c))
2008			
2007			
2006			
2005			
2004			

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 2009 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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see 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 or determination letter _______ (attach copy of letter if necessary - see instr.) 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, column (b)			1	61,524.
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	61,524
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	61,524.
6 Credits/Payments				
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	15,310.		
b Exempt foreign organizations – tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	220,000.		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments Add lines 6a through 6d			7	235,310.
8 Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached			8	1,587.
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	172,199.
11 Enter the amount of line 10 to be Credited to 2010 estimated tax ► 172,199.	Refunded ►		11	0.

Part VII-A Statements Regarding Activities

		Yes	No
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?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see 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 ► $ 0. (2) On foundation managers ► $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 0.			
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	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*	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, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) ► VA			
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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *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*	10		X

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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)(13)? If 'Yes', attach schedule (see 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 ► WWW.THEHARVESTFOUNDATION.ORG			
14	The books are in care of ► ALLYSON ROTHROCK Telephone no ► 276-632-3329			
	Located at ► 1 ELLSWORTH STREET, MARTINSVILLE, VA ZIP + 4 ► 24112			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here N/A ► ☐			
	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 the instructions)?		1b	N/A	
	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 2009?		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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ 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 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 2009 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 2009)*		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 2009?		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 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 instructions)?		**5b** N/A
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?	N/A ☐ 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 (No)
If 'Yes' to 6b, 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** N/A

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 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 16		152,132.	10,583.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 — see 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
ANGELA LOGAN 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	PROGRAM OFFIC 40	77,353.	3,868.	0.
JEFFERY W. MANSOUR-BRUDERER 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	PROGRAM OFFIC 40	96,128.	5,584.	0.
NANCY J COX 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	PROGRAM OFFIC 40	79,153.		0.

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 instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 17		208,373.
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 SEE STATEMENT 18	104,286.
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 LOAN TO MARTINSVILLE REDEVELOPMENT AND HOUSING AUTHORITY TO ACQUIRE FACILITY KNOWN AS THE HENRY HOTEL AS PART OF PLAN TO REVITALIZE THE UPTOWN AREA OF THE CITY OF MARTINSVILLE	340,000.
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ►	340,000.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes			
a	Average monthly fair market value of securities		1a	161,711,921.
b	Average of monthly cash balances		1b	5,548,416.
c	Fair market value of all other assets (see instructions)		1c	
d	**Total** (add lines 1a, b, and c)		1d	167,260,337.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	167,260,337.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	2,508,905.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	164,751,432.
6	**Minimum investment return.** Enter 5% of line 5		6	8,237,572.

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

1	Minimum investment return from Part X, line 6		1	8,237,572.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 61,524.		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	61,524.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	8,176,048.
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	8,176,048.
6	Deduction from distributable amount (see instructions)		6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	8,176,048.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes		
a	Expenses, contributions, gifts, etc — total from Part I, column (d), line 26	1a	8,318,294.
b	Program-related investments — total from Part IX-B	1b	340,000.
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	8,658,294.
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 instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	8,658,294.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				8,176,048.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years 20___, 20___, 20___		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ► $ 8,658,294.				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2009 distributable amount				8,176,048.
e Remaining amount distributed out of corpus	482,246.			
5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	482,246.			
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		0.		
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	482,246.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009 482,246.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, 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) 2009	(b) 2008	(c) 2007	(d) 2006	(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 organization had $5,000 or more in assets at any time during the year – see 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 instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

SEE STATEMENT 19

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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 ATTACHED ,	N/A	SEE ATTAC	EDUCATION	3,458,492.
SEE ATTACHED ,	N/A	SEE ATTAC	HEALTH	725,702.
SEE ATTACHED ,	N/A	SEE ATTAC	COMMUNITY VITALITY	3,130,233.
SEE ATTACHED ,	N/A	SEE ATTAC	GRANTS RETURNED	-20,673.
Total			► 3a	7,293,754.
b Approved for future payment				
SEE ATTACHED ,	N/A	SEE ATTAC	EDUCATION	248,858.
SEE ATTACHED ,	N/A	SEE ATTAC	COMMUNITY VITALITY	572,000.
Total			► 3b	820,858.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (see 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			14	87,013.	
4 Dividends and interest from securities			14	4,916,771.	
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	281,253.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a INTEREST ON PROG REL INV.					3,145.
b ORDINARY K-1 INCOME(LOSS)			14	-960,199.	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				4,324,838.	3,145.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 4,327,983.

(See worksheet in the instructions for line 13 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 the instructions)
3E	INTEREST INCOME ON A PROGRAM RELATED LOAN (INVESTMENT).

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
N/A			

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
N/A		

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] | 11/12/10 | ► EXECUTIVE DIRECTOR

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature ► DAVID B. LOWEN, CPA	Date 11/11/10	Check if self-employed ► ☐ Preparer's Identifying number (See Signature in the instrs) N/A
Firm's name (or yours if self-employed), address, and ZIP code ► FOTI, FLYNN, LOWEN & CO., P.C. P.O. BOX 12765 ROANOKE, VA 24028-2765		EIN ► N/A Phone no ► (540) 344-9246

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
INTEREST ON PROG REL INV.	$ 3,145.	$ 3,145.	$ 3,145.
ORDINARY K-1 INCOME(LOSS)	-960,199.	-960,199.	
TOTAL	$ -957,054.	$ -957,054.	$ 3,145.

STATEMENT 2
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	$ 12,168.	$ 1,217.		$ 5,981.
TOTAL	$ 12,168.	$ 1,217.	$ 0.	$ 5,981.

STATEMENT 3
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING AND BOOKKEEPING	$ 3,050.	$ 1,525.		$ 1,060.
TOTAL	$ 3,050.	$ 1,525.	$ 0.	$ 1,060.

STATEMENT 4
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AUDITING FEES	$ 15,520.	$ 7,760.		$ 7,760.
CONSULTING	24,905.	1,139.		24,748.
INVESTMENT ADVISORY SERVICES	1,186,963.	1,186,963.		
PROGRAM RELATED CONSULTING	67,744.			88,539.
TOTAL	$ 1,295,132.	$ 1,195,862.	$ 0.	$ 121,047.

STATEMENT 5
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAXES	$ 152,699.			
PAYROLL TAXES	36,634.	$ 2,198.		$ 34,655.
TAXES AND LICENSES	4,204.			4,204.
TOTAL	$ 193,537.	$ 2,198.	$ 0.	$ 38,859.

STATEMENT 6
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DIRECT CHARITABLE EXPENDITURES	$ 104,285.			$ 112,406.
DUES & SUBSCRIPTIONS	16,052.	$ 90.		15,811.
EQUIPMENT RENTAL AND MAINTENANCE	13,976.	1,398.		12,518.
INFORMATION TECHNOLOGY	21,469.	2,147.		19,602.
INSURANCE	23,665.	2,323.		21,305.
MISCELLANEOUS	3,184.			5,703.
POSTAGE AND SHIPPING	2,497.	250.		2,436.
PUBLIC RELATIONS	7,261.	726.		4,662.
SUPPLIES	6,710.	671.		6,151.
TELEPHONE	11,788.			11,953.
TOTAL	$ 210,887.	$ 7,605.	$ 0.	$ 212,547.

STATEMENT 7
FORM 990-PF, PART II, LINE 7
OTHER NOTES AND LOANS RECEIVABLE

OTHER NOTES AND LOANS	BOOK VALUE	FAIR MARKET VALUE	DOUBTFUL ACCOUNTS ALLOWANCE
MARTINSVILLE REDVLPMNT AND HOU	$ 340,000.	$ 340,000.	$ 0.
TOTAL	$ 340,000.	$ 340,000.	

ALLOWANCE FOR DOUBTFUL ACCOUNTS	$ 0.
NET OTHER NOTES/LOANS REC. - BOOK VALUE	$ 340,000.

STATEMENT 8
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCKS	MKT VAL	$ 12,709,782.	$ 12,709,782.
	TOTAL	$ 12,709,782.	$ 12,709,782.

STATEMENT 9
FORM 990-PF, PART II, LINE 11
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
BUILDINGS	$ 184,052.	$ 111,412.	$ 72,640.	$ 72,640.
LAND	111,463.		111,463.	111,463.
TOTAL	$ 295,515.	$ 111,412.	$ 184,103.	$ 184,103.

STATEMENT 10
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN LIMITED LIABILITY COMPANY	MKT VAL	$ 0.	$ 0.
OTHER PUBLICLY TRADED SECURITIES			
MUTUAL FUNDS	MKT VAL	147380533.	147,380,533.
	TOTAL	$ 147380533.	$147,380,533.

STATEMENT 11
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
FURNITURE AND FIXTURES	$ 83,463.	$ 40,029.	$ 43,434.	$ 43,434.
IMPROVEMENTS	48,621.	18,098.	30,523.	30,523.
MISCELLANEOUS	153,949.	98,698.	55,251.	55,251.
TOTAL	$ 286,033.	$ 156,825.	$ 129,208.	$ 129,208.

STATEMENT 12
FORM 990-PF, PART II, LINE 15
OTHER ASSETS

		BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST & DIVIDENDS RECEIVABLE		$ 12,786.	$ 12,786.
	TOTAL	$ 12,786.	$ 12,786.

STATEMENT 13
FORM 990-PF, PART II, LINE 22
OTHER LIABILITIES

DEFERRED TAX LIABILITY		$ 713,574.
CURRENT FEDERAL INCOME TAXES		137,389.
	TOTAL	$ 850,963.

STATEMENT 14
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

UNREALIZED GAIN ON INVESTMENTS		$ 31,526,658.
	TOTAL	$ 31,526,658.

STATEMENT 15
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

DEFERRED INCOME TAXES		$ 713,574.
	TOTAL	$ 713,574.

STATEMENT 16
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
ALLYSON ROTHROCK 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	EXECUTIVE DIREC 40.00	$ 152,132.	$ 10,583.	$ 0.
JAMES MCCLAIN II 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	BOARD MEMEBER 2.00	0.	0.	0.

STATEMENT 16 (CONTINUED)
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
LEANNA B. BLEVINS, PH.D. 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	BOARD MEMBER 2.00	$ 0.	$ 0.	$ 0.
DONALD R. HODGES 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	BOARD MEMBER 2.00	0.	0.	0.
GRACIE R. AGNEW 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	SECRETARY 2.00	0.	0.	0.
JAMES W. MUEHLECK, D.D.S. 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	BOARD MEMBER 2.00	0.	0.	0.
W. D. PRINCE, III, M.D. 1 ELLSWORTH ST MARTINSVILLE, VA 24112	BOARD MEMBER 2.00	0.	0.	0.
CYNTHIA INGRAM, ED.D. 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	BOARD MEMBER 2.00	0.	0.	0.
PAUL B. TOMS, JR. 1 ELLSWORTH ST MARTINSVILLE, VA 24112	PRESIDENT 2.00	0.	0.	0.
JOSEPH A. ROACH 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	BOARD MEMBER 2.00	0.	0.	0.
MARSHALL W. STOWE 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	BOARD MEMBER 2.00	0.	0.	0.
E. LARRY RYDER 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	TREASURER 2.00	0.	0.	0.
MARTHA W. MEDLEY 1 ELLSWORTH STREET MARTINSVILLE, VA 24112	VICE PRESIDENT 2.00	0.	0.	0.
	TOTAL	$ 152,132.	$ 10,583.	$ 0.

STATEMENT 17
FORM 990-PF, PART VIII, LINE 3
COMPENSATION OF FIVE HIGHEST PAID CONTRACTORS

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
COLONIAL CONSULTING CORPORATION 750 THIRD AVE NEW YORK, NY 10017-2703	INVESTMENT CONSULTIN	141,642.
STATE STREET BANK AND TRUST COMPANY 125 SUNNYNOLL COURT SUITE 200 WINSTON SALEM, NC 27106	INVESTMENT CONSULTIN	66,731.
	TOTAL	$ 208,373.

STATEMENT 18
FORM 990-PF, PART IX-A, LINE 1
SUMMARY OF DIRECT CHARITABLE ACTIVITIES

DIRECT CHARITABLE ACTIVITIES	EXPENSES
SUPPORT OF K-12 EDUCATION INITIATIVES IN MARTINSVILLE AND HENRY COUNTY THROUGH TECHNICAL ASSISTENCE AND EVALUATION FOR THE GRANTS AWARDED TO HENRY COUNTY PUBLIC SCHOOLS, MARTINVILLE CITY SCHOOLS AND THE CARLISLE SCHOOL.	$ 104,286.

STATEMENT 19
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:	
NAME:	HARVEST FOUNDATION OF THE PIEDMONT
CARE OF:	
STREET ADDRESS:	1 ELLSWORTH ST
CITY, STATE, ZIP CODE:	MARTINSVILLE, VA 24112
TELEPHONE:	276-632-3329
FORM AND CONTENT:	APPLICANTS SHOULD FIRST FILL OUT A PROGRAM SUMMARY. THIS CAN BE SUBMITTED ON-LINE AT WWW.THEHARVESTFOUNDATION.ORG. AS APPROPRIATE, THE PROGRAM STAFF WILL INVITE APPLICANT ORGANIZATIONS TO SUBMIT A FULL PROPOSAL.
SUBMISSION DEADLINES:	NO SPECIFIC DEADLINES FOR DOCUMENT SUBMISSION.
RESTRICTIONS ON AWARDS:	ORGANIZATION MUST BE CLASSIFIED AS A TAX-EXEMPT, NONPROFIT ORGANIZATION UNDER 501(C)(3) OF THE INTERNAL REVENUE CODE.ORGANIZATIONS WITH OTHER 501(C)(4) AND 501(C)(6) TAX STATUS MAY BE CONSIDERED AT THE DISCRETION OF THE FOUNDATION AND BASED ON THE CHARITABLE INTENT OF THE PROPOSAL. ORGANIZATION MUST BE LOCATED WITHIN, OR HAVE ITS PROGRAM FOCUSED WITHIN, MARTINSVILLE OR HENRY COUNTY VIRGINIA AND BE PROPOSING A PROGRAM WITHIN ONE OF THE FOUNDATION'S THREE FOCUS AREAS OF HEALTH, EDUCATION, AND COMMUNITY VITALITY.

Recipient and/or Purpose	Foundation Status of Recipient	Purpose of grant or contribution	Newly Allocated or Amount Paid
Boy Scouts Of America 2131 Valley View Blvd. N.W., P O Box 7606 Roanoke, VA 24019-0606	501c(3) - Nonprofit Organization	*(Blue Ridge Mountains Council) Martinsville/ Henry County Scoutreach Program*	$ 45,381
Carlisle School P. O Box 5388 Martinsville, VA 24115	501c(3) - Nonprofit Organization	*Continuation grant over two-years to continue the curriculum alignment and professional development project*	$ 25,000
Carlisle School P O Box 5388 Martinsville, VA 24115	501c(3) - Nonprofit Organization	*To continue its work related with the international Baccalaureate curriculum and the use of Differentiated Instruction*	$ 50,000
The Community Foundation Of The Dan River Region 541 Loyal Street, P.O Box 1039 Danville, VA 24543	501c(3) - Nonprofit Organization	*Workforce Collaborative Initiative - to be used as part of a pooled fund match for a grant from the National Fund for Workforce Solutions (NFWS) Thef unds will be used to address workforcet raining and improvement in the greater Dan River Region*	$ 125,000
Henry County Public Schools P.O Box 8958 Collinsville, VA 24078	Government Entity	*Two-year continuationi mplementation grant focused on enhancing and improving educational outcomes for all students utilizing differentiated instruction*	$ 260,000
Henry County Public Schools P O Box 8958 Collinsville, VA 24078	Government Entity	*Implementation grant to focus on enhancing and improving educational outcomes for all students utilizing differentiated instruction*	$ 510,000
MARC Workshop, Inc. 1005 Jordan Street, P O. Box 3749 Martinsville, VA 24115	501c(3) - Nonprofit Organization	*Mobile Employment for Disabled Adults*	$ 127,468
Martinsville City Public Schools P. O. Box 5548 Martinsville, VA 24115	Government Entity	*District Wide continuation implementation grant focused on enhancing and improving educational outcomes for all students utilizing "Effective Schools Research"*	$ 75,000
Martinsville City Public Schools P. O Box 5548 Martinsville, VA 24115	Government Entity	*Implementation grant focused on enhancing and improving educational outcomes for all students utilizing "Effective Schools Research" as a vehicle for improving Math and Reading skills*	$ 160,000
New College Foundation 29 Jones St Martinsville, VA 24112	501c(3) - Nonprofit Organization	*Proposal for Matching Funds to support existing, as well as proposed, academic programs offered by NCI for 06-08 biennium*	$ 226,962
New College Foundation	501c(3) -	*Proposal for Matching Funds to support*	$ 1,273,809

Recipient and/or Purpose	Foundation Status of Recipient	Purpose of grant or contribution	Newly Allocated or Amount Paid
Martinsville, VA 24112	Organization	*programs offered by NCI*	
Patrick Henry Community College 645 Patriot Avenue, PO Box 5311 Martinsville, VA 24112	Government Entity	*To sustain and expand its current programming of providing high-quality,free afterschool programming to middle school students in MHC*	$ 366,560
Henry County Public Schools - The Piedmont Governor's School for Mathematics, Science & Technology P. O. Box 728 Martinsville, VA 24112	Government Entity	*To be used to participate in the FIRST Robotics competition*	$ 5,000
Rector & Visitors Of The University Of Virginia P. O. Box 400801 Charlottesville, VA 22904-4801	501c(3) - Nonprofit Organization	*To support the training and placement of three Guides that will provide college preparation counseling and related activities to Martinville and Henry County*	$ 72,255
United Way of Henry County and Martinsville, Inc. 134 East Church Street, Lower Level P. O. Box 951 Martinsville, VA 24114	501c(3) - Nonprofit Organization	*To the United Way of Henry County and Martinsville, Inc as fiscal agent for Smart Smart Beginnings of Martinsville and Henry County for The Starting Place*	$ 41,350
Virginia Museum of Natural History Foundation 21 Starling Avenue Martinsville, VA 24112	501c(3) - Nonprofit Organization	*To Establish a Children & Nature Network and environmental education laboratory at VMNH that will serve as a clearing house for environmental information/nature-based learning, use nature as a way to stimulate learning and develop opportunities*	$ 94,707
Total Paid grants for Education Initiatives			$ 3,458,492
Martinsville Henry Coalition For Health And Wellness Inc 22 East Church Street Martinsville, VA 24112	501c(3) - Nonprofit Organization	*To launch a new community-wide health and wellness initiative to health education and care for the uninsured in the Martinsville region*	$ 657,402
Martinsville Henry Coalition For Health And Wellness Inc 22 East Church Street Martinsville, VA 24112	501c(3) - Nonprofit Organization	*Transferred from PVDHF as a voucher system to access dental services for patients in dire need and unable to be seen at the Community Dental Clinic*	$ 18,300
Piedmont Virginia Dental Health Foundation 407 Starling Avenue Martinsville, VA 24112	501c(3) - Nonprofit Organization	*For renovation of the living and support area for a dental education and clinic facility*	$ 50,000
Total Paid grants for Health Initiatives			$ 725,702

Schedule of Grants and Contributions Paid During the Year or Approved for Future Payment
12/31/2009

Recipient and/or Purpose	Foundation Status of Recipient	Purpose of grant or contribution	Newly Allocated or Amount Paid
Bassett Public Library Association Incorporated 3964 Fairystone Park Highway Bassett, VA 24055	501c(3) - Nonprofit Organization	*$205,000 for the Center's $805,000 capital campaign to construct an addition to the existing facility contingent upon the receipt of pledges and funds in the amount of an additional $600,000*	$ 205,000
City of Martinsville PO Box 1112, 55 W Church Street Martinsville, VA 24114	Government Entity	*Transferred from the County of Henry, Effective 3/1/2009 - To support the operations of the newly formed Southern Virginia Recreation Facilities Authority which the City is the fiscal agent*	$ 363,867
Community Foundation Of Western Virginia Inc 27 West Church Avenue (24011) P O Box 1159 (24006) Roanoke, VA	501c(3) - Nonprofit Organization	*To Community Foundation of Western VA, Inc as as fiscal agent for the Martinsville Area Community Foundation over three (3) years to increase the capacity of the organization*	$ 25,000
Dan River Basin Association 413 Church Street Suite 401 Eden, NC 27288	501c(3) - Nonprofit Organization	*To fund the Community Connections Rivers & Trails Phase Twoin Martinsville & & Henry County*	$ 96,200
Dan River Basin Association 413 Church Street Suite 401 Eden, NC 27288	501c(3) - Nonprofit Organization	*Transferred from Gateway Streetscape Foundation Uptown Beautification Enhancement Program to DRBA for enhancements to the Uptown Spur Trail*	$ 8,095
Lead Virginia 707 East Main Street Suite 1035 Richmond, VA 23219	501c(3) - Nonprofit Organization	*Sustaining Sponsor - to provide a continuum of leadership development for Martinsville & Henry County community leaders and their organizations*	$ 25,000
Martinsville Henry Coalition For Health And Wellness Inc 22 East Church Street Martinsville, VA 24112	501c(3) - Nonprofit Organization	*Transferred from BikeWalk Virginia 10/3/2008 - To the Coalition as fiscal agent for Activate of Martinsville & Henry County to help make our community a fun, healthy desirable place to live*	$ 743,469
Martinsville-Henry County Economic Development Corporation 134 East Church Street, Suite 200 P O Box 631 Martinsville, VA 24114	501c(3) - Nonprofit Organization	*Transferred from C-PEG on 11/5/2008 - a continuation grant for three years beginning July 2008, contingent on continued full funding by the City, the County and CPEG*	$ 975,000
Martinsville-Henry County Economic Development Corporation 134 East Church Street, Suite 200 P O. Box 631 Martinsville, VA 24114	501c(3) - Nonprofit Organization	*Transferred from LISC on 10/28/09 - to the MHC EDC (fiscal agent for the Phoenix CDC) to support the operations thereof*	$ 180,615

The Harvest Foundation of the Piedmont 31-1496872
Schedule of Grants and Contributions Paid During the Year or Approved for Future Payment
12/31/2009

Recipient and/or Purpose	Foundation Status of Recipient	Purpose of grant or contribution	Newly Allocated or Amount Paid
Martinsville Uptown Revitalization Association 217 East Church Street, P O Box 614 Martinsville, VA 24114	501c(3) - Nonprofit Organization	*For Uptown Programming and Promotion*	$ 60,400
Piedmont Arts Association 215 Starling Avenue Martinsville, VA 24112	501c(3) - Nonprofit Organization	*To fund the Exhibits and Education Outreach contingent on the receipt of other match dollars*	$ 103,000
Piedmont Arts Association 215 Starling Avenue Martinsville, VA 24112	501c(3) - Nonprofit Organization	*To Piedmont Arts Association as fiscal agent for TheaterWorks Community Players, Inc for Venue Development and Program Expansion.*	$ 100,000
Piedmont Regional Community Services Board 24 Clay Street Martinsville, VA 24112	501c(3) - Nonprofit Organization	*Piedmont Community Services (PCS) as fiscal agent for the West Piedmont Better Housing Coalition to (WPBHC) fund the Better Housing Solutions housing needs assessment and related capacity building.*	$ 49,495
Southside Business Technology Center Inc 22 E Church Street Suite 300 Martinsville, VA 24112	501c(3) - Nonprofit Organization	*For Employment Retention and Creation in Martinsville & Henry County*	$ 150,000
Spencer Penn School Preservation Organization 475 Spencer Penn Road, P.O. Box 506 Spencer, VA 24165	501c(3) - Nonprofit Organization	*For the Outreach Capacity Building Project*	$ 45,092
Total Paid Grants for Community Vitality Initiatives			**$ 3,130,233**
Gateway Streetscape Foundation, Inc. P O Box 7 Suite 201 Collinsville, VA 24078	501c(3) - Nonprofit Organization	*Gateway Streetscape Foundation/Uptown Beautification Enhancement Program - $8,095 transferred to DRBA on 7/29/09 for enhancements to the Uptown Spur Trail*	$ (2,184)
Martinsville Uptown Revitalization Association 217 East Church Street, P.O Box 614 Martinsville, VA 24114	501c(3) - Nonprofit Organization	*To launch the Martinsville Uptown Initiative*	$ (189)
Piedmont Virginia Dental Health Foundation 407 Starling Avenue Martinsville, VA 24112	501c(3) - Nonprofit Organization	*To increase the patient serving capacity of its Community Dental Clinic Transferred to Coalition for voucher system to access dental services for patients in dire need and unable tobe seen at the Dental Clinic.*	$ (18,300)
Total Returned Grants for 2009			**$ (20,673)**
Total Paid Grants for 2009			**$ 7,293,753**

The Harvest Foundation of the Piedmont 31-1496872

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

12/31/2009

Recipient and/or Purpose	Foundation Status of Recipient	Purpose of grant or contribution	Newly Allocated or Amount Paid
MARC Workshop, Inc. P O. Box 3749 1005 Jordan Street Martinsville, VA 24115	501c(3) - Nonprofit Organization	*Mobile Employment for Disabled Adults*	$ 114,508
United Way of Henry County and Martinsville, Inc. 134 East Church Street, Lower Level P. O. Box 951 Martinsville, VA 24114	501c(3) - Nonprofit Organization	*To the United Way of Henry County and Martinsville, Inc as fiscal agent for Smart Beginnings of Martinsville and Henry County for The Starting Place*	$ 134,350
Total Approved but unpaid grants for Education Initiatives			$ 248,858
Piedmont Arts Association 215 Starling Avenue Martinsville, VA 24112	501c(3) - Nonprofit Organization	*To Piedmont Arts Association as fiscal agent for TheaterWorks Community Players, Inc for Venue Development and Program Expansion*	$ 100,000
Southside Business Technology Center Inc 22 E. Church Street Suite 300 Martinsville, VA 24112	501c(3) - Nonprofit Organization	*For Employment Retention and Creation in Martinsville & Henry County*	$ 225,000
City of Martinsville PO Box 1112, 55 W Church Street Martinsville, VA 24114	Government Entity	*For operational support of the Smith River Sports Complex*	$ 247,000
Total Approved but unpaid grants for Community Vitality Initiatives			$ 572,000
Total Approved but unpaid grants for 2009			$ 820,858

AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

the harvest foundation of the piedmont

A Virginia Nonstock Corporation

1. **Name**. The name of the Corporation is

the harvest foundation of the piedmont

2. **Purpose**. The Corporation is established exclusively to support the charitable purposes and activities of Martinsville Newco, including without limitation the development and support of activities, programs and organizations that improve the health, welfare and education of the residents of the service areas of the Memorial Hospital of Martinsville and Henry County, with a primary emphasis on the communities of Martinsville and Henry County. Subject to the limitations set forth in these Articles, the Corporation may conduct any or all lawful affairs, not required to be stated specifically in these Articles, for which corporations may be incorporated under the Virginia Nonstock Corporation Act except that the Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future federal tax law (the "Code").

3. **Activities and Powers.**

(a) The Corporation shall not be operated for profit. The Corporation may engage only in activities that may be carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Code or by a corporation to which contributions are deductible under Sections 170(c), 2055 and 2522 of the Code. To the extent consistent with Section 501(c)(3) of the Code, the Corporation may exercise any and all powers conferred upon nonstock corporations by Sections 13.1-826 and -827 of the Virginia Nonstock Corporation Act.

(b) No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation (except as otherwise permitted by Section 501(h) of the Code); and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

(c) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any director or officer of the Corporation, or any person having a personal or private interest in the activities of the Corporation, except that the Corporation may pay reasonable compensation for services rendered and may make payments or distributions in furtherance of the purposes set forth in Article 2.

4. **Members**. The Corporation shall have no members.

5. **Directors**. The number of directors shall be not less than nine (9) nor more than eighteen (18), excluding any ex officio members. Elected local, county and Commonwealth officials and senior local, county and Commonwealth government officers shall not be entitled to serve on the Board of Directors. For the period of time that PHC-Martinsville, Inc. or any other wholly-owned affiliate of Province Healthcare Company owns and operates the Memorial Hospital of Martinsville and Henry County (the "Hospital"), the Chief Executive Officer of the Hospital shall serve as an ex-officio, voting member of the Board of Directors. Once the current CEO terminates his position with PHC-Martinsville, this provision will be eliminated. Elected members of the Board of Directors shall be divided into three classes (Class I, Class II and Class III) of equivalent number, unless the total number of Directors necessitates that one or two of such classes shall have one member more than the remaining class or classes. The members of each class shall be elected for three-year terms. A Director shall serve no more than three successive terms, but may be eligible for re-election after having not been a Director for a period of at least one year. At each annual meeting, successors to the class of Directors whose terms then shall expire shall be identified as being of the same class as the Directors they succeed and elected or reelected to hold office for a term expiring at the third annual meeting of Directors thereafter. When the number of Directors is changed, any newly created directorships or any decrease in directorships shall be apportioned among the classes by the Board of Directors as to make all classes as nearly equal in number as possible. Directors will be elected by the Board of Directors.

6. **Registered Office and Agent**. The registered office of the Corporation is Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, in the City of Richmond, Virginia 23219. Its initial registered agent at that address is Matthew D. Jenkins, who is a resident of Virginia and a member of the Virginia State Bar, and whose business address is the same as the address of the initial registered office.

7. **Dissolution**. Upon the dissolution of the Corporation and the winding up of its affairs, the assets of the Corporation shall be distributed to the Martinsville Newco, or if Martinsville Newco is not an organization described in Sections 170(c)(2) and 501(c)(3) of the Code when distributions are to be made to it, to one or more organizations organized and operated exclusively for charitable, scientific or educational purposes and then so described.

8. **Indemnification**.

(a) In this Section:

"applicant" means the person seeking indemnification pursuant to this Section.

"expenses" includes counsel fees.

"liability" means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

"party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

"proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal.

(b) In any proceeding brought by or in the right of the Corporation, no Director or officer of the Corporation shall be liable to the Corporation for monetary damages with respect to any transaction, occurrence or course of conduct, whether prior or subsequent to the effective date of this Section, except for liability resulting from such person's having engaged in willful misconduct or a knowing violation of the criminal law.

(c) To the full extent allowed by the Virginia Nonstock Corporation Act in force on the date of these Articles the Corporation shall indemnify (i) any person who was or is a party to any proceeding, including a proceeding brought by the Corporation, by reason of the fact that he is or was a Director, officer or employee of the Corporation, or (ii) any Director, officer or employee of the Corporation who is or was serving at the request of the Corporation as a director, trustee, partner, fiduciary or officer of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise, or as a fiduciary of an employee benefit plan (including any similar program for non-employee Directors) sponsored or maintained by the Corporation or to which it contributes, against any liability incurred by him in connection with such proceeding unless he is finally adjudged liable in such proceeding on the basis of his having engaged in willful misconduct or a knowing violation of criminal law. A person is considered to be serving an employee benefit plan at the Corporation's request if his duties to the Corporation also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan. The Board of Directors is hereby empowered, by a majority vote of disinterested Directors, to enter into a contract to indemnify any Director, officer or employee in respect of any proceedings arising from any act or omission, whether occurring before or after the execution of such contract.

(d) The provisions of this Section shall be applicable to all proceedings commenced after the adoption hereof arising from any act or omission, whether occurring before or after such adoption. No amendment or repeal of this Section shall have any effect on the rights provided under this Section with respect to any act or omission occurring prior to such amendment or repeal. The Corporation shall promptly take all such actions, and make all such determinations, as shall be necessary or appropriate to comply with its obligation to make any indemnity under this Section and shall promptly pay or reimburse all reasonable expenses incurred by any such Director, officer, or employee in connection with such actions and determinations or proceedings of any kind arising therefrom.

(e) The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the applicant did not meet the standard of conduct described in paragraph (b) or (c) of this Section.

(f) Any indemnification under paragraph (c) of this Section (unless earlier ordered by a court) shall be made by the Corporation promptly upon request by a person specified in paragraph (c) unless such person is finally adjudged in such proceeding to be or have been liable on the basis of his willful misconduct or knowing violation of the criminal law.

(g) (i) The Corporation shall pay for or reimburse the reasonable expenses incurred by any applicant who is a party to a proceeding in advance of final disposition of the proceeding or the making of any determination under section 6 if the applicant furnishes the Corporation:

(A) a written statement of his good faith belief that he has met the standard of conduct described in paragraph (c); and

(B) a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet such standard of conduct.

(ii) The undertaking required by subsection (B) of subparagraph (i) of this paragraph (g) shall be an unlimited general obligation of the applicant but need not be secured and may be accepted without reference to financial ability to make repayment.

(iii) Payments under this section shall be made by the Corporation promptly upon receipt of such statement and undertaking.

(h) The Board of Directors is hereby empowered, by majority vote of a quorum consisting of disinterested Directors, to cause the Corporation to indemnify or contract to indemnify any person not specified in paragraph (b) or (c) of this Section who was, is or may become a party to any proceeding, by reason of the fact that he is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise, or as a fiduciary of an employee benefit plan to the same extent as if such person were specified as one to whom indemnification is granted in paragraph (c). The provisions of paragraphs (d) through (g) of this Section shall be applicable to any indemnification provided hereafter pursuant to this paragraph (h).

(i) The Corporation may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Section and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, fiduciary, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, or other enterprise, or as a fiduciary of an employee benefit plan, against any liability asserted against or incurred by him in any such capacity or arising from his status as such, whether or not the Corporation would have power to indemnify him against such liability under the provisions of this Section.

(j) Every reference herein to Directors, officers, employees or agents shall include former Directors, officers, employees and agents and their respective heirs, executors and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred by this Section on the Board of Directors shall not be exclusive of any other rights to which any person may be entitled, including any right under policies of insurance that may be purchased and maintained by the Corporation or others, with respect to claims, issues or matters in relation to which the Corporation would not have the power to indemnify such person under the provisions of this Section. Such rights shall not prevent or restrict the power of the Corporation to make or provide for any further indemnity, or provisions for determining entitlement to indemnity, pursuant to one or more indemnification agreements, bylaws, or other arrangements (including, without limitation, creation of trust funds or security interests funded by letters of credit or other means) approved by the Board of Directors (whether or not any of the Directors of the Corporation shall be a party to or beneficiary of any such agreements, bylaws or arrangements).

(k) Each provision of this Section shall be severable, and an adverse determination as to any such provision shall in no way affect the validity of any other provision.

9. **Amendment of Articles**. Sections 2 and 5 of the Articles of Incorporation may only be amended upon the affirmative vote of at least two-thirds (2/3) of the then actual membership of the Board of Directors, including all voting ex-officio Board Members, if at least ten (10) days written notice is given of the intention to take such action.

ARTICLES OF AMENDMENT

OF THE

ARTICLES OF INCORPORATION

OF

the harvest foundation of the piedmont

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1. The name of the Corporation is "the harvest foundation of the piedmont" [ID no. 0476553-3].

2. The amendment revises Section 9, dealing with amendments of certain articles, to read in full as follows:

> "9. Amendment of Articles. Sections 2 and 5 of the Articles of Incorporation may only be amended upon the affirmative vote of at least two-thirds (2/3) of the then actual membership of the Board of Directors, including all voting ex-officio Board Members, if at least ten (10) days written notice is given of the intention to take such action."

3. The foregoing amendment was adopted at a meeting of the Board of Directors on October 3, 2008 by the affirmative vote of at least two thirds of the directors in office. Member approval was not required because the Corporation has no members.

The undersigned officer declares that the facts stated herein are true as of February 12, 2009.

the harvest foundation of the piedmont,
a Virginia nonstock corporation

By: Paul B. Toms, Jr.
Paul B. Toms, Jr., Chair, Board of Directors

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 25, 2009

The State Corporation Commission has found the accompanying articles submitted on behalf of

the harvest foundation of the piedmont

to comply with the requirements of law, and confirms payment of all required fees. Therefore, it is ORDERED that this

CERTIFICATE OF AMENDMENT

be issued and admitted to record with the articles of amendment in the Office of the Clerk of the Commission, effective February 25, 2009.

The corporation is granted the authority conferred on it by law in accordance with the articles, subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By Judith Williams Jagdmann

Commissioner

09-02-13-0097
AMENACPT
CIS0436

harvest foundation of the piedmont

AMENDED AND RESTATED

BYLAWS

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AMENDED AND RESTATED

BYLAWS OF

harvest foundation of the piedmont

ARTICLE I

NAME

The name of the Corporation is **harvest foundation of the piedmont**, whose central office is located at 1 Ellsworth Street, Martinsville, Virginia.

ARTICLE II

PURPOSE

The Corporation is a non-profit corporation organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The purposes of the Corporation are set forth in Article 2 of the Articles of Incorporation of the Corporation.

ARTICLE III

MEMBERSHIP

The Corporation shall have no members.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Number and Qualifications

4.1.1 The Board of Directors shall consist of not less than nine (9) nor more than eighteen (18) Directors, as determined by the Board of Directors. Qualifications for membership shall be as follows:

4.1.2 Subject to the provisions of Section 4.1.3 below, all nominees for membership shall be at least eighteen (18) years of age. Selection of a Director shall be based on an individual's ability, with no restrictions as to race, creed, color, national origin, sex or socioeconomic status. Willingness to give as much time as is reasonably requested is required. The nominee must be willing to accept responsibility for governance, including availability to participate actively in Board and Committee activities; to provide input in areas of interest and expertise; and to utilize experience in organizational and community activities. The art of managing people, money, and property are important considerations. A member must be honest and above political influence. To the extent practicable, the Board should include a broad representation of the communities served by the Corporation and its affiliates.

4.1.3 Elected local, county and Commonwealth officials and senior local, county and Commonwealth government officers shall not be entitled to serve on the Board of Directors.

4.1.4 For the period of time that PHC-Martinsville, Inc. or any other wholly owned affiliate of Province Healthcare Company owns and operates the Memorial Hospital of Martinsville and Henry County (the "Hospital"), the Chief Executive Officer of the Hospital shall serve as an ex-officio, voting member of the Board of Directors. This ex-officio voting member shall not be counted as a participating Board member with regard to the maximum size of the Board of Directors delineated in Section 4.1.1 above but shall be counted as a participating Board member for purposes of determining a quorum in accordance with Section 4.7.5.

4.2 Governance

Unless otherwise provided herein, the Corporation shall be governed and operated by and under the authority of the Board of Directors, and the business and affairs of the Corporation shall be managed under the Board's direction. The Corporation may be the sole member of one or more nonstock corporations or the sole shareholder of one or more stock corporations. Together any such other corporations shall be referred to herein as affiliates of the Corporation. The Board shall have full power and authority to create, prescribe and approve Bylaws, rules and regulations for itself and any of its affiliates. Final authority for the establishment of all policy pertaining to the Corporation and its affiliates for operation, maintenance and development, and for the attainment of its objectives shall be vested in the Board of Directors.

4.3 Election of Directors and Officers

At its annual meeting, the Board shall elect persons to fill the vacancies in its membership created by expiring terms or vacated Director's positions. Any election or reelection of any Director or officer shall require the affirmative vote of at least two thirds (2/3) of the then actual membership of the Board of Directors, including all voting ex-officio Board members. Except as may be provided in the Corporation's Articles of Incorporation, each elected Director shall hold office for a term of three (3) years and until his successor is elected and qualified and shall be eligible to serve up to two (2) more three (3) year terms if re-elected. Such terms of office shall be staggered by class in accordance with the Articles of Incorporation. After serving three (3) consecutive, full terms, a Director shall not be eligible for re-election until he or she has been off the Board of Directors for one (1) year.

4.3.1 At the scheduled Board meeting that is held two months prior to the annual meeting, the President shall ask the Governance Committee, to present nominees for officers and Directors at the annual meeting. The President shall send to each existing Board member whose term is to expire, but who is not precluded from serving another successive term under the Articles of Incorporation, a letter no later than two (2) months before the Annual Meeting specifically requesting each Board member to advise the President in writing whether he desires to serve an additional term. If no reply is received to the letter sent by certified mail, the President of the Corporation shall contact the Board member and request his response. If the President's term on the Board is expiring, he shall advise the Vice President of his intentions regarding reappointment on the Board, assuming such individual is eligible for an additional term.

Each Board member whose term is expiring shall respond to the President before the date of the initial meeting of the Governance Committee. The President shall report these responses to the Governance Committee at its initial meeting. A failure to respond by any Board member shall indicate a desire to retire from the Board.

At least ten (10) days prior to the annual meeting, the Governance Committee shall provide in writing to each member of the Board a proposed list of Directors and officers and a list of nominees. Nominations for officers and Directors also may be made from the floor at the annual meeting. Directors and officers shall be elected in accordance with the provisions of the Articles of Incorporation, including the term limits set forth therein.

4.3.2 Officers and Directors elected in accordance with Section 4.3.1 will begin elected terms effective the date of the annual meeting, unless otherwise specified by the Board of Directors.

4.4 Termination of Directors

Any Director may resign at any time by giving written notice to the President or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent upon formal acceptance by the Board, shall take effect on the date of receipt or at any later time specified in it. Any Director may be suspended for a period of time specified by the Board or removed permanently, with or without cause, at any time by a two-thirds (2/3) affirmative vote of the then actual membership of the Board at a meeting of the Board called for the purpose of suspending or removing the Director. Notice of such meeting must state that the purpose, or one of the purposes, of the meeting is the suspension or removal of the Director.

4.5 Vacancies

Vacancies in elected directorships due to death, resignation, suspension or removal, or an increase in the authorized number of Directors may be filled by the affirmative vote of a two-thirds (2/3) majority of the remaining number of Directors, even if such number constitute fewer than a quorum. In the event a vacancy occurs on the Board, or in any office, the President or Acting President, will ask the Governance Committee to select and recommend a candidate for replacement. This candidate is to be presented to the next regular meeting of the Board of Directors; such nomination to stand for a minimum of thirty (30) days, before election takes place. Any Director so elected shall hold office for the unexpired portion of the term of the vacated Director. For the purpose of determining term limits, if the remaining period exceeds one and one-half years, it shall be considered a full term.

4.6 Compensation of Members

Board members and members of all committees shall receive no compensation for any services rendered in their capacities as Directors or committee members. However, nothing herein contained shall be construed to preclude any Director or committee member from receiving compensation for other services actually rendered or reimbursement for out of pocket expenses incurred and appropriately documented in serving the Corporation as a Director or in any capacity.

4.7 Meeting of Directors

4.7.1 Annual Meetings of the Board:

The annual meeting of the Board shall be held in the month of December, unless otherwise designated by the President. The purpose of the annual meeting is to elect officers and Directors and to transact such other business as may properly come before the meeting. Directors shall be given written notice ten (10) days prior to the annual meeting. Such notice may be mailed or given electronically by facsimile or email.

4.7.2 Regular Meetings of the Board:

Regular scheduled meetings of the Board will be set by the President at the beginning of each year to be held in the offices of the Corporation or such other convenient location as may be designated by the President, provided, however, that the President or the Board by a majority of voting members present may cancel or postpone a scheduled meeting with notice as required in Section 4.7.4(a).

4.7.3 Special Meetings of the Board:

Special meetings of the Board shall be held at the offices of the Corporation or such other convenient location as may be designated by the President and may be called at any time by the President, by the Executive Committee, or by not less than one-third of the Directors. The business to be transacted at any special meeting of the Board shall be limited to those items of business set forth in the notice of the meeting.

4.7.4 **Place, Notice and Procedure of Board Meetings**:

a. **Notification of Change in Regular and Annual Meeting:**

Directors shall be given written notice of changes in the Board of Directors' regular or annual meeting date, location or time. Such notice is to be given no less than ten (10) days prior to the meeting and shall set forth the time and place of any rescheduled meeting. Such notice may be mailed or given electronically by facsimile or email.

b. **Special Meetings:**

Directors shall be given notice of each special meeting of the Board, and such notice shall set forth the time and place of the meeting and notice of the matters of business to be transacted. Notice of each special meeting shall be mailed to each Director's residence or usual place of business at least five (5) days before the date of the meeting or delivered in person or by facsimile or e-mail at least two (2) days before the date of the meeting. Business to be transacted at any special meeting of the Board shall be limited to the matters set forth in the notice of the meeting.

c. **Waiver of Notice:**

Notice of any meeting of the Board may be waived by a Director before or after the date and time stated in the notice, and such waiver shall be equivalent to the giving of such notice. Such waiver shall be in writing, signed by the Director entitled to the notice, and filed with or entered upon the records of the meeting. The attendance of any Director at any meeting without protesting prior to or at the commencement of the meeting shall be deemed to be a waiver by him of proper notice of the meeting.

d. **Procedure for Regular Meetings:**

Regular meetings of the Board shall be conducted by utilizing the following procedure for the agenda: call to order, consent agenda (approval of minutes, committee reports, administrative reports), old business, new business, other, executive session (if warranted), and adjournment.

4.7.5 **Quorum**:

A majority of the Directors, including voting ex-officio Directors, shall constitute a quorum for the transaction of business. In addition to those Directors who are physically present at a meeting, Directors shall for purposes of these Bylaws be deemed present at such meeting if a telephone or similar communications device by means of which all persons participating in the meeting can hear each other at the same time is used. The act of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the act of the Board. After a quorum has been established at a meeting, the subsequent withdrawal of Directors from the meeting so as to reduce the number of Directors present to fewer than the number required for a quorum shall not affect the validity of any act taken by the Board at the meeting or any continuation thereof, as long as one-third (1/3) of the fixed number of Directors remain present, including voting ex-officio Directors. A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. At such adjourned meeting, a quorum shall be established.

4.7.6 Attendance:

Directors are expected to attend as many Board and assigned committee meetings as possible. Annually, the Executive Committee shall review the attendance records of all members for the prior year. Extenuating circumstances are to be considered. At the direction of the Executive Committee, the President shall counsel each member whose absences exceed twenty-five percent (25%). If absences continue, the President may either ask for resignation or recommend removal in accordance with Section 4.4, if he deems such action appropriate.

4.7.7 Minutes, Attendance, Continuing Education and Orientation:

A written record of all Board and Board Committee proceedings, attendance and actions shall be maintained by the Secretary or his designee. Board Committee minutes, recommendations, and actions will be presented at the next meeting of the Board or Executive Committee for review and appropriate action. A written record shall also be maintained of Board orientation, evaluation and continuing education.

4.7.8 Board and Board Committee Action Without a Meeting:

Any action that may be taken at a meeting of the Board or any committee thereof may be taken without a meeting if the action is taken by all members of the Board or committee and such action is evidenced by one or more written consents stating the action taken, signed by each member either before or after the action taken, and included in the minutes of the Board or committee.

4.8 Tax Exemption Status:

Directors shall not exercise their powers in any manner that would disqualify the Corporation from federal income tax exemption under Section 501(c)(3) of the Internal Revenue Code or disqualify any gift as a deductible charitable contribution in computing any federal income or transfer tax of the donor or the donor's estate.

4.9 Director Orientation, Education and Evaluation:

The President shall plan and implement periodically programs designed to help Directors understand and fulfill their responsibilities and shall periodically direct the evaluation of Board and Director performance.

a. All new Directors shall participate in an orientation program.

b. A program of continuing education shall be available to all Directors.

c. The performance of the full Board and of individual Directors may be evaluated by appropriate means, such as self-assessment checklists and consultants.

4.10 Operating Policies:

The Board shall develop operating policies, including but not limited to policies relating to grantmaking, investment of funds and personnel matters covering executive leadership and staffing. The policies developed by the Board shall govern the actions of the Corporation with respect to the matters addressed therein.

ARTICLE V

OFFICERS

The officers of the Corporation shall be: President, Vice President, Secretary and Treasurer, and such other executive officers and subordinate officers as may be determined necessary and appropriate by the Board of Directors The President, Vice President, Secretary and Treasurer must be Directors of the Corporation. Officers shall be elected annually by the Board of Directors in accordance with the provisions of Section 4.3.1 for a term of one (1) year, but are subject to removal with or without cause by two-thirds (2/3) affirmative vote of the then actual membership of the Board of Directors, including all voting ex-officio Board Members provided, however, that the officer whose removal is sought shall have been given thirty (30) days notice in writing of the proceeding to remove and the reasons therefor. In the event any of the above offices are vacated, including that of President, an election will be held at the next Board meeting to fill such vacancy. Officers may delegate clerical work incident to their duties to the administrative staff.

5.1 Duties of Officers

5.1.1 President:

The President shall be the principal Corporate Officer of the Corporation. He shall be a member of the Board of Directors and serve as Chairman of the Board of Directors and Chairman of the Executive Committee. He shall preside at all meetings of the Board and Executive Committee. For definition purposes, the principal Corporate Officer shall be referred to as, "President." He shall appoint annually all committees, both standing and ad hoc, of the Board and their Chairmen, subject to the approval of the Board. He shall make every effort to motivate Board Committees to accept and complete their assigned responsibilities. He shall perform all such other duties as are incident to this office or are properly assigned to him by the Board of Directors, and shall make any and all recommendations to the Board that he may deem necessary. The President shall be a member of the Executive Committee and an ex officio member of all other committees. The office of President and the office of Treasurer shall not be held by the same individual.

5.1.2 Vice President:

The Vice President shall perform such duties as may be assigned to him by the Board or the President. In the absence of the President, or in the event of his disability or inability to act, the Vice President shall perform the duties of the President with the full powers of, and subject to the restrictions upon, the President.

5.1.3 Secretary:

The Secretary shall provide for the keeping of minutes of all meetings of the Board and Board Committees. He shall give or cause to be given appropriate notices in accordance with these Bylaws or as required by law, and shall act as custodian of all corporate records and reports and of the Corporate Seal, assuring that it is affixed, when required by law, to documents executed on behalf of the Corporation. He shall perform such other duties as may be prescribed by the Board of Directors and as are incident to the office of Secretary of a corporation under the laws of the Commonwealth of Virginia.

5.1.4 Treasurer:

It shall be the responsibility of the Treasurer to see that proper and accurate accounts are kept of all properties and financial transactions of the Corporation and to insure that such accounts, assets and liabilities are audited annually by an outside independent certified public accountant and reviewed by any corporate committees according to these Bylaws.

The Treasurer shall determine that the officers or employees of the Corporation who handle or have access to the funds of the Corporation are bonded in amounts deemed appropriate by industry standards. The Treasurer shall determine that all officers and Directors of the Corporation are properly indemnified against liability or losses as a result of their service on the Board in an amount deemed appropriate by industry standards and approved by the Board.

The Treasurer shall serve as Chairman of the Audit Committee and, in addition, shall perform all acts incident to the Office of the Treasurer of a corporation operating under the laws of the Commonwealth of Virginia.

5.1.5 Assistant Secretary and/or Assistant Treasurer:

If provided for by the Board, the Assistant Secretary and the Assistant Treasurer shall, in the absence or disability of the Secretary or Treasurer, respectively, have the duties and powers of the Secretary or Treasurer and shall have such other duties and powers as the Board may from time to time prescribe.

ARTICLE VI

BOARD COMMITTEES

6.1 Standing or Ad Hoc

The Board shall maintain an Executive Committee, an Audit Committee and a Governance Committee. The President shall appoint and authorize any additional standing or ad hoc committees as he deems necessary, consistent with these Bylaws and subject to the approval of the Board. The committee members, whether they be Directors or not, shall serve at the pleasure of the President with the approval of the Board of Directors.

6.1.1 Executive Committee:

a. Number and General Provisions

The Executive Committee shall be composed of three (3) or more members who are Directors of the Corporation and shall include the President who shall be a voting member. Members of the Executive Committee shall be appointed by the President.

b. Duties and Responsibilities

No action shall be taken by the Executive Committee that conflicts with the policies and expressed wishes of the Board of Directors.

All activities of the Executive Committee will be reported to the Board of Directors at the next regular meeting.

The Executive Committee shall be empowered to act with the same and total authority as the Board of Directors on matters of a very urgent nature requiring immediate action. All actions taken under this provision shall be promptly reported in writing to the Board, which may be transmitted electronically or by such other means as the Executive Committee may deem appropriate.

Meetings of the Executive Committee may be called by, or at the direction of, the President or any other two (2) members of the Committee. A majority of the members of the Executive Committee shall constitute a quorum for transaction of business at any meeting of the Committee. The Committee shall keep minutes of its proceedings and report to the Board at all regular meetings of the Board.

6.1.2 <u>Audit Committee:</u>

a. <u>Number and General Provisions</u>

The Audit Committee shall be composed of three (3) or more members who are Directors of the Corporation and all of whom shall have requisite working familiarity with basic finance and accounting practices. Members of the Audit Committee shall be appointed by the President and shall include the Treasurer (as referred to in Section 5.1.4).

b. <u>Duties and Responsibilities</u>

The primary responsibilities of the Audit Committee shall consist of: recommending the selection of independent accountants and auditors; reviewing the scope of the accountant's audit and approval of any non-audit services to be performed by the independent accountants; and reviewing annual audits and accounting practices.

6.1.3 Governance Committee

a. <u>Number and General Provisions</u>

The Governance Committee shall be composed of four (4) or more members who are Directors of the Corporation. The committee members shall be appointed annually by the President with the approval of the Board of Directors.

b. <u>Duties and Responsibilities</u>

The Governance Committee shall develop Board policy relating to governance and conflicts of interest, and insure appropriate Board development, orientation and continuing education. It will develop and implement an evaluation process for overall Foundation effectiveness and make recommendations to the Board for consideration and action. It will review Bylaws periodically, but no less often than every two (2) years, and make recommendations to the Board for revision.

The Committee will oversee the Director selection process, monitor and recommend criteria for Director selection and foster Director development.

The Committee will solicit, nominate, and review recommendations for nominees to the Board to fill such positions as may be or become vacant. It may also perform such other duties as may be assigned from time to time by the Board and/or Chairman.

6.2 Meeting, Notice and Quorum

Meetings of any committee may be called by the President of the Board, the Chairman of the committee or a majority of the committee's voting members. Each committee shall meet as often as is necessary to perform its duties except where frequency of meetings is specified in these Bylaws. Notice may be given at any time and in any manner reasonably designed to inform the members of the time and place of the meeting. A majority of the voting members of any committee shall constitute a quorum for the transaction of business at any meeting of such committee. Each committee shall keep minutes of its proceedings and report periodically to the Board.

6.3 Additional Consultants

The President and Executive Director may invite, on an ad hoc basis, additional individuals with special expertise in pertinent areas to meet with and assist any committee. Such consultants shall not be counted in determining the existence of a quorum nor be allowed to vote. The Board may form one or more Advisory Committees and appoint to those committees anyone who the Board feels because of their expertise could help the Board in its activities.

6.4 Resignations and Removals

Any member of a committee may resign at any time by giving written notice to the President or to the Secretary of the Corporation. Such resignation, which may or may not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified in it. The President may, with prior approval of the Board, remove any member of a committee.

6.5 Vacancies

A vacancy in any committee shall be filled for the unexpired portion of the term in the same manner in which original appointment to such committee is made.

6.6 Combination of Committee Functions

The Board may assign the functions of any special and/or standing committee, except the Executive Committee, to a combined or new committee or to the Board acting as a committee of the whole.

ARTICLE VII

CONFLICTS OF INTEREST

7.1 General Policy

Directors, officers, staff members and advisory members of the Corporation committees, task forces and similar groups (collectively, "Affiliated Individuals") are expected to act at all times in the best interest of the Corporation, and to avoid scrupulously both the fact and the appearance of a conflict of interest between the Corporation and other organizations or activities with which the Affiliated Individual may be associated or involved

7.2 Disclosure

7.2.1 Annually, or more often as circumstances warrant, each Affiliated Individual shall provide to the President a written statement regarding Conflict of Interest, the form and content of which to be determined from time to time by the Board.

7.2.2 Whenever any matter arises in the course of Board or committee meetings or otherwise where Corporation affairs are being considered, which represents a conflict or a potential conflict of interest for an Affiliated Individual, that person will immediately declare the conflict or potential conflict, and thereafter act in accordance with this policy with respect to discussion and/or voting relative to said matter.

7.3 Abstention/Removal

Affiliated Individuals shall abstain from voting or the exercise of personal influence on any matter which represents a conflict or a potential conflict of interest for such Individuals. Minutes of meetings shall note specifically the abstention of such Individuals due to a conflict or potential conflict of interest, and the participant is limited to general discussion, the provision of information, and/or responses to questions. Any transaction with the exception of grants will require the majority of disinterested directors which will constitute less than a quorum. In the event any matter which represents a conflict or a potential conflict of interest for an Affiliated Individual materially jeopardizes such Individual's ability to perform duties to the Corporation, the Board may direct such Individual to remove the cause of the conflict or be removed from the Board.

7.4 Gifts and Favors

Affiliated Individuals shall not accept gifts or favors from any firm or individual which does or seeks to do business with, or is a competitor, grant recipient or potential grant recipient of the Corporation, under circumstances which imply reasonably that such action is intended to influence the Affiliated Individual(s) in the performance of his duties. The foregoing does not apply to the acceptance of items of nominal value (i.e. $50.00), under circumstances or for reasons clearly unrelated to any particular transactions or activity of the Corporation.

7.5 Staff Services to Other Organizations

Staff service (a) as a volunteer officer, director, consultant and/or advisor to other charitable, civic, or service organizations, governmental or quasigovernmental units, or other entities, or (b) in such capacities for compensation (other than reimbursement of actual and reasonable out-of-pocket expenses) is permitted; provided however, that such service is reported in advance to the President, that the performance of such service is not in conflict with the ability of the individual to properly discharge his responsibilities to the Corporation, that such service is closely monitored to avoid conflict or potential conflict of interest, and that any conflict or potential conflict of interest arising is promptly resolved in favor of the Corporation. Compensation, such as fees or honoraria, provided to staff for activities undertaken in the name of the Corporation or as part of the staff member's official duties and responsibilities will be promptly forwarded to the Corporation.

ARTICLE VIII

DONORS' GIFTS AND DIRECTIONS

8.1 Donors' Gifts

Donors may make gifts to or for the use of the Corporation by naming or otherwise identifying the Corporation. By doing so, each donor accepts and agrees to all terms of the Corporation's Articles of Incorporation and these Bylaws and provides that the fund so created shall be subject to the provisions for presumption of donors' intent, for variance from donors' directions and for amendment and termination, and to all other terms of the Corporation's Articles of Incorporation and these Bylaws as amended from time to time.

8.2 Restrictions

Any donor may give directions at the time of the gift as to (i) the field of charitable purposes or particular charitable organizations or purposes to be supported, (ii) the manner of distribution, including amounts, times, conditions, and characterizations of payments, (iii) geographical limits or uses of the gift, including use in or for areas outside the communities served by the Corporation, (iv) a name as a memorial or otherwise for a fund given or addition to a fund previously held, or anonymity for the gift, and (v) reasonable limits on, or additions to, investment or administrative powers of the Corporation as to that gift. All such directions shall be followed except as provided in this Article VIII.

8.3 Separate Investment

No gift need be separately invested or held unless the donor so directs or unless separate investment or holding is necessary (i) to follow any other direction by the donor as to purpose, investment or administration, (ii) to prevent tax disqualification or (iii) to satisfy other legal requirements. Directions for naming a fund as a memorial or otherwise may be satisfied by keeping under that name accounts that reflect the interest of the fund in each common investment.

8.4 Trust Gifts

If a gift is made to a trustee in trust to make periodic payments to any individuals or for non-charitable purposes, followed by payments to or for the use of the Corporation, or vice versa, only the payments to or for the use of the Corporation shall be treated as Corporation funds subject to the Corporation's Articles of Incorporation and these

Bylaws and only when the Corporation becomes entitled to use them. The Corporation may take any actions that it deems necessary from time to time to protect its rights to receive such payments. To the extent that the Corporation is administering such gifts, however, it may commingle the gift funds with its other funds for investment purposes so long as it keeps separate records for each gift so that it can allocate investment income among the various accounts.

8.5 Donors' Presumed Intent

Donors shall be presumed to intend that their gifts to the Corporation (i) be used only in accordance with the terms of the gift instrument, if any, and the provisions of the Corporation's Articles of Incorporation and these Bylaws, (ii) produce alone (in the case of a restricted fund) or in the aggregate (in the case of unrestricted funds) a reasonable return of net income or appreciation with due regard to safety of principal in furtherance of the Corporation's exempt purposes (unless the assets are held directly for the active conduct of the Corporation's exempt activities) and (iii) be used only for the Corporation's charitable purposes in a manner that will not disqualify any gift as a deductible charitable contribution in computing any federal income or transfer tax of the donor or the donor's estate and will not render the Corporation ineligible for federal income tax exemption under Section 501(c)(3) of the Code; and no gift shall be applied otherwise. If a donor's direction would, if followed, violate that presumed intent or if counsel advises the Board that there is a substantial risk of such a violation, the Board shall not follow the direction but instead shall vary it so far as necessary to avoid a violation. If the donor has made compliance with the direction an express condition of the gift, the Board shall not accept the gift unless an appropriate judicial or administrative body first determines that the condition and direction need not be followed. Reasonable legal fees and expenses for such advice and proceedings shall be proper expenses of administering that gift.

8.6 Changed Conditions or Circumstances

Whenever the Board decides, by affirmative vote of a majority of the Directors in office, that literal compliance with a donor's direction as to purpose or as to manner of distribution or use is unnecessary, impractical or impossible because of changed conditions or circumstances or that the direction is inconsistent with the Corporation's primary purpose of serving the charitable needs of the communities served by the Corporation effectively, it may vary from the direction and apply all or part of the principal or income of the fund to other charitable purposes that it determines, in its absolute discretion, will serve those needs more effectively. Whenever the Board determines, by majority vote, that changed circumstances or conditions have rendered, or experience has proved, a donor's direction as to investment or administration to be impractical or unreasonably onerous and to impede serving those charitable needs effectively, the Board may vary from that direction to the extent it deems necessary.

ARTICLE IX

GENERAL PROVISIONS

9.1 Audits and Financial Reports

An independent auditor appointed or approved by the Board shall at such time as the Board may determine but at least annually, prepare for the Corporation as a whole a consolidated financial statement, including a statement of combined capital assets and liabilities, and a statement of income, expenses, and distributions, and a list of projects and/or organizations to or for which funds were distributed or used for charitable purposes, and such other additional reports or information as may be ordered from time to time by the Board. The auditor shall also prepare such financial data as may be necessary for returns or reports that any state or federal government requires the Corporation to file. The auditor's charges and expenses shall be proper expenses of administration.

9.2 Auxiliary and Association Organizations

The Board may authorize the formation of auxiliary and associate organizations to assist in the fulfillment of the purposes of the Corporation and any of its affiliates. Each such organization shall establish its Bylaws, rules and regulations and make amendments thereto which shall be subject to Board approval and which shall not be inconsistent with these Bylaws or the standing rules of the Board. Volunteers, who are not members of the organized auxiliary, shall be governed by the Administrative Policy/Procedure Manual of the corporation or any of its affiliates.

9.3 Fiscal Year

The fiscal year of the Corporation shall begin on the 1st day of January of each year and end on the last day of December of each year.

9.4 Corporate Seal

The seal of the Corporation shall be circular in form and shall have inscribed on its face the words, "Corporate Seal" and the Corporate name.

9.5 Waiver of Notice

Whenever any notice is required to be given under the provisions of the Virginia Nonstock Corporation Act, under the Articles of Incorporation, or under these Bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice where such waiver is permitted by state law. All such waivers shall be filed with the corporate records, or be made a part of the minutes of the relevant meeting.

9.6 Procedure

The Board, Board committees, and special committees may adopt rules of procedure which shall be consistent with these Bylaws.

9.7 Roberts Rules of Order

Any procedure or point of order that is not outlined in these Bylaws will be guided by Roberts Rules of Order.

9.8 Construction of Terms and Headings

Words used in these Bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the context requires. The captions or headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision of these Bylaws.

9.9 Review of Bylaws

From time to time, as necessary, but not less than biennially, the President shall appoint an ad hoc Committee composed of Board members which shall review the Bylaws of the corporation. After review, the committee shall report to the Board any recommendation or changes deemed necessary or appropriate.

ARTICLE X

LIABILITY

10.1 General Liability

No officer, committee member or employee of the Corporation, or other persons shall contract or incur any debt on behalf of the Corporation, or in any way render it liable unless authorized by the Board of Directors. No officer, committee member or employee of the Corporation or other person is authorized to promise moral or financial support to any charitable or other objective without the approval of the Board of Directors provided, however, that the President may negotiate or make such commitments as may be appropriate within the Corporation's budget and for which he shall be accountable to the Board.

ARTICLE XI

AMENDMENTS TO BYLAWS

11.1 Procedure

11.1.1 These Bylaws, or those of any of the affiliates of this Corporation, may be amended or repealed and new Bylaws adopted by the affirmative vote of at least two-thirds (2/3) of the then actual membership of the Board of Directors, including all voting ex-officio Board Members if at least ten (10) days written notice is given of the intention to take such action.

SECRETARY'S CERTIFICATE

THIS IS TO CERTIFY THAT the foregoing Bylaws of the harvest foundation of the piedmont was last amended and duly adopted by the Board of Directors of said Corporation on the 29th day of July, 2009.

IN WITNESS WHEREOF, the undersigned, duly and acting Secretary of the Corporation has signed this Certificate and affixed the seal of the Corporation hereon dated this 29th day of July, 2009.

Tracie Agnew

Secretary

APPROVED: The Harvest Foundation Board of Directors – June 24, 2003
APPROVED: The Harvest Foundation Board of Directors – December 14, 2004
APPROVED: The Harvest Foundation Board of Directors – October 3, 2008
APPROVED: The Harvest Foundation Board of Directors – July 29, 2009