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

**2009**

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

For calendar year 2009, or tax year beginning , 2009, and ending , 20

G Check all that apply:  Initial return  Amended return  Initial return of a former public charity  Address change  Final return  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation ARNOLD, ARTHUR-TUW BRANCH BANKING & TRUST CO, TRUSTEE	C/O	A Employer identification number 55-6018517
	Number and street (or P O box number if mail is not delivered to street address) 434 FAYETTEVILLE ST. 14TH FL	Room/suite	B Telephone number (see page 10 of the instructions) (919) 716-9045
	City or town, state, and ZIP code RALEIGH, NC 27601		C If exemption application is pending, check here <input type="checkbox"/> D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

H Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 1,375,768.  
 J Accounting method:  Cash  Accrual  Other (specify) \_\_\_\_\_  
 (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B.				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	48,471.	48,196.		STMT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-89,668.			
	b Gross sales price for all assets on line 6a	1,767,118.			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	-41,197.	48,196.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	8,111.	8,111.		
	14 Other employee salaries and wages		NONE	NONE	
	15 Pension plans, employee benefits		NONE	NONE	
	16a Self-employment taxes (attach schedule)	1,365.	NONE	NONE	1,365.
	b Accounting fees (attach schedule)	1,000.	NONE	NONE	1,000.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	2,286.	356.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings		NONE	NONE	
	22 Printing and publications		NONE	NONE	
	23 Other expenses (attach schedule) STMT 5	4.	4.		
	24 Total operating and administrative expenses. Add lines 13 through 23	12,766.	8,471.	NONE	2,365.
	25 Contributions, gifts, grants paid	77,551.			77,551.
26 Total expenses and disbursements Add lines 24 and 25	90,317.	8,471.	NONE	79,916.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-131,514.				
b Net investment income (if negative, enter -0-)		39,725.			
c Adjusted net income (if negative, enter -0-)					

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing . . . . .		-2,242.	-2,242.
	2	Savings and temporary cash investments . . . . .	33,811.	9,363.	9,363.
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable . . . . .			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less allowance for doubtful accounts ▶	NONE		
	8	Inventories for sale or use . . . . .			
	9	Prepaid expenses and deferred charges . . . . .			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) . STMT 6 .	508,540.	254,813.	293,005.
	c	Investments - corporate bonds (attach schedule) . STMT 8 .	671,010.	10,000.	10,349.
	11	Investments - land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule) ▶				
12	Investments - mortgage loans . . . . .				
13	Investments - other (attach schedule) . . . . . STMT 9 .	166,241.	973,097.	1,065,293.	
14	Land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶) . . . . .				
16	<b>Total assets</b> (to be completed by all filers - see the instructions Also, see page 1, item I) . . . . .	1,379,602.	1,245,031.	1,375,768.	
Liabilities	17	Accounts payable and accrued expenses . . . . .			
	18	Grants payable . . . . .			
	19	Deferred revenue . . . . .			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule) . . . . .			
	22	Other liabilities (describe ▶) . . . . .			
23	<b>Total liabilities</b> (add lines 17 through 22) . . . . .				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted . . . . .			
	25	Temporarily restricted . . . . .			
	26	Permanently restricted . . . . .			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds . . . . .	1,379,602.	1,245,031.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .			
	29	Retained earnings, accumulated income, endowment, or other funds . . . . .			
	30	<b>Total net assets or fund balances</b> (see page 17 of the instructions) . . . . .	1,379,602.	1,245,031.	
	31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) . . . . .	1,379,602.	1,245,031.	

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 1,379,602.
2	Enter amount from Part I, line 27a . . . . .	2 -131,514.
3	Other increases not included in line 2 (itemize) ▶	3
4	Add lines 1, 2, and 3 . . . . .	4 1,248,088.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 10	5 3,057.
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30 . . . . .	6 1,245,031.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
<b>1a</b> SEE PART IV DETAIL				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
(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)	
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>2</b> 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 }	<b>2</b>	-89,668.
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8. . . . .			}	<b>3</b>

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? . . . .  Yes  No  
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	49,332.	1,379,189.	0.03576884676
2007			
2006			
2005			
2004			

<b>2</b> Total of line 1, column (d) . . . . .	<b>2</b>	0.03576884676
<b>3</b> 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 . . . . .	<b>3</b>	0.03576884676
<b>4</b> Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 . . . . .	<b>4</b>	1,253,642.
<b>5</b> Multiply line 4 by line 3 . . . . .	<b>5</b>	44,841.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b) . . . . .	<b>6</b>	397.
<b>7</b> Add lines 5 and 6 . . . . .	<b>7</b>	45,238.
<b>8</b> Enter qualifying distributions from Part XII, line 4 . . . . . If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18	<b>8</b>	79,916.

<b>Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)</b>	
1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 . . . . . Date of ruling or determination letter _____ (attach copy of ruling letter if necessary - see instructions)	1
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b . . . . .	
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)	
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) . . . . .	2
3 Add lines 1 and 2 . . . . .	3
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . . . .	4
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0- . . . . .	5
6 Credits/Payments	
a 2009 estimated tax payments and 2008 overpayment credited to 2009 . . . . .	6a
b Exempt foreign organizations-tax withheld at source . . . . .	6b
c Tax paid with application for extension of time to file (Form 8868) . . . . .	6c
d Backup withholding erroneously withheld . . . . .	6d
7 Total credits and payments. Add lines 6a through 6d . . . . .	7
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached . . . . .	8
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed . . . . .	9
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . . . .	10
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> 400 . Refunded <input type="checkbox"/> 147 .	11

<b>Part VII-A Statements Regarding Activities</b>		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? . . . . .	1a		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . . . . <i>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</i>	1b		X
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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . . <i>If "Yes," attach a detailed description of the activities</i>	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? <i>If "Yes," attach a conformed copy of the changes</i> . . . . .	3		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . . . .	4a		X
b If "Yes," has it filed a tax return on Form 990-T for this year? . . . . .	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . . <i>If "Yes," attach the statement required by General Instruction T</i>	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? <i>If "Yes," complete Part II, col (c), and Part XV</i> . . . . .	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> STMT 11			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i> . . . . .	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 on page 27)? <i>If "Yes," complete Part XIV</i> . . . . .	9		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i> . . . . .	10		X

Part VII-A Statements Regarding Activities (continued)

Table with 3 columns: Question number, Description, and Answer. Rows 11-15. Row 11: At any time during the year, did the foundation, directly or indirectly, own a controlled entity... Answer: X. Row 12: Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? Answer: X. Row 13: Did the foundation comply with the public inspection requirements... Answer: X. Row 14: The books are in care of SEE STATEMENT 12. Row 15: Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year 15.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

Table with 3 columns: Question number, Description, and Yes/No columns. Rows 1a-4b. Row 1a: During the year did the foundation (either directly or indirectly) engage in the sale or exchange, or leasing of property with a disqualified person? Answer: No. Row 1b: 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? Answer: No. Row 1c: 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? Answer: X. Row 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)). Row 2a: 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? Answer: No. Row 2b: 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? Answer: X. Row 3a: Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Answer: No. Row 3b: 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... Answer: No. Row 4a: Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? Answer: X. Row 4b: 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? Answer: X.

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions)  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?  Yes  No **5b**

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No **6b** X  
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?  Yes  No **7b**

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 13		8,111	-0-	-0-

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."**

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

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

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

**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

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

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

**Part IX-A Summary of Direct Charitable Activities**

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

**Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
-----	
2	
-----	
All other program-related investments See page 24 of the instructions	
3 NONE	
-----	
<b>Total.</b> Add lines 1 through 3 . . . . .	

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	1,248,164.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	24,569.
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	NONE
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	1,272,733.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	NONE
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	1,272,733.
<b>4</b>	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	19,091.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,253,642.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	62,682.

**Part XI Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	62,682.
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	397.
<b>b</b>	Income tax for 2009 (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	397.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	62,285.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	NONE
<b>5</b>	Add lines 3 and 4	<b>5</b>	62,285.
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	NONE
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	62,285.

**Part XII Qualifying Distributions** (see page 25 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	79,916.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	NONE
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	NONE
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	NONE
<b>4</b>	<b>Qualifying distributions</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	79,916.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	<b>5</b>	397.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	79,519.

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

**Part XIII Undistributed Income** (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
<b>1</b> Distributable amount for 2009 from Part XI, line 7 . . . . .				62,285.
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only . . . . .			18,683.	
<b>b</b> Total for prior years 20____, 20____, 20____		NONE		
<b>3</b> Excess distributions carryover, if any, to 2009				
<b>a</b> From 2004 . . . . .	NONE			
<b>b</b> From 2005 . . . . .	NONE			
<b>c</b> From 2006 . . . . .	NONE			
<b>d</b> From 2007 . . . . .	NONE			
<b>e</b> From 2008 . . . . .	NONE			
<b>f</b> Total of lines 3a through e . . . . .	NONE			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 79,916.				
<b>a</b> Applied to 2008, but not more than line 2a . . . . .			18,683.	
<b>b</b> Applied to undistributed income of prior years (Election required - see page 26 of the instructions) . . . . .		NONE		
<b>c</b> Treated as distributions out of corpus (Election required - see page 26 of the instructions) . . . . .	NONE			
<b>d</b> Applied to 2009 distributable amount . . . . .				61,233.
<b>e</b> Remaining amount distributed out of corpus . . . . .	NONE			
<b>5</b> Excess distributions carryover applied to 2009 . . . . . (If an amount appears in column (d), the same amount must be shown in column (a) )	NONE			NONE
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	NONE			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b . . . . .		NONE		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .		NONE		
<b>d</b> Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions . . . . .		NONE		
<b>e</b> Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions . . . . .				
<b>f</b> Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010 . . . . .				1,052.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) . . . . .	NONE			
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . .	NONE			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a . . . . .	NONE			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2005 . . . . .	NONE			
<b>b</b> Excess from 2006 . . . . .	NONE			
<b>c</b> Excess from 2007 . . . . .	NONE			
<b>d</b> Excess from 2008 . . . . .	NONE			
<b>e</b> Excess from 2009 . . . . .	NONE			

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					
b 85% of line 2a . . . . .					
c Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
d Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c . . . . .					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets . . . . .					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . . . .					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
(3) Largest amount of support from an exempt organization . . . . .					
(4) Gross investment income . . . . .					

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

**1 Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

Check here  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

**Part XV Supplementary Information (continued)**

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p><i>a Paid during the year</i></p> <p>SEE STATEMENT 14</p>				
<b>Total . . . . .</b>				<b>77,551.</b>
<p><i>b Approved for future payment</i></p>				
<b>Total . . . . .</b>				<b>3b</b>





**FORM 990-PF - PART IV  
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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
							2,246.	
							1,026.	
							07/10/2002	01/21/2009
10.00		39.00					-29.00	
							10/15/2008	02/09/2009
11,312.00		12,399.00					-1,087.00	
							12/15/2004	02/09/2009
30,759.00		46,898.00					-16,139.00	
							08/19/2002	02/18/2009
783.00		7,367.00					-6,584.00	
							01/16/2007	02/18/2009
2,712.00		3,579.00					-867.00	
							10/14/2008	05/04/2009
1,987.00		2,112.00					-125.00	
							12/31/1989	05/04/2009
10,652.00		1,458.00					9,194.00	
							12/02/2002	05/04/2009
4,092.00		12,074.00					-7,982.00	
						CO	01/16/2007	05/04/2009
1,770.00		2,282.00					-512.00	
							01/16/2007	05/04/2009
9,694.00		14,672.00					-4,978.00	

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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
3,571.00		75. ANADARKO PETE CORP PROPERTY TYPE: SECURITIES 1,622.00					08/19/2002	05/04/2009
							1,949.00	
5,836.00		212. BANK OF NEW YORK MELLON CORPORATIO PROPERTY TYPE: SECURITIES 9,100.00					01/16/2007	05/04/2009
							-3,264.00	
12,564.00		650. CISCO SYS INC PROPERTY TYPE: SECURITIES 22,706.00					01/16/2007	05/04/2009
							-10,142.00	
4,384.00		100. CONOCOPHILLIPS PROPERTY TYPE: SECURITIES 6,283.00					01/16/2007	05/04/2009
							-1,899.00	
3,657.00		300. DELL INC COMMON PROPERTY TYPE: SECURITIES 5,905.00					07/21/2006	05/04/2009
							-2,248.00	
4,884.00		300. DOW CHEMICAL CO COM STK* PROPERTY TYPE: SECURITIES 9,736.00					07/10/2002	05/04/2009
							-4,852.00	
4,218.00		300. DUKE ENERGY CORPORATION COMMON PROPERTY TYPE: SECURITIES 4,326.00					04/14/2004	05/04/2009
							-108.00	
5,862.00		350. EBAY INC COMMON PROPERTY TYPE: SECURITIES 11,579.00					11/13/2006	05/04/2009
							-5,717.00	
6,466.00		175. EMERSON ELECTRIC CO PROPERTY TYPE: SECURITIES 6,484.00					10/14/2008	05/04/2009
							-18.00	
20,388.00		300. EXXON MOBIL CORP PROPERTY TYPE: SECURITIES 626.00					12/31/1989	05/04/2009
							19,762.00	
19,925.00		350. F P L GROUP PROPERTY TYPE: SECURITIES 6,577.00					11/29/1993	05/04/2009
							13,348.00	

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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
1,959.00		150. GENERAL ELECTRIC CO COM STK PROPERTY TYPE: SECURITIES 4,461.00					11/09/1998 -2,502.00	05/04/2009
7,926.00		60. GOLDMAN SACHS GROUP COMMON PROPERTY TYPE: SECURITIES 12,836.00					01/16/2007 -4,910.00	05/04/2009
4,138.00		115. HERSHEY FOODS PROPERTY TYPE: SECURITIES 5,824.00					01/16/2007 -1,686.00	05/04/2009
13,618.00		520. HOME DEPOT PROPERTY TYPE: SECURITIES 20,650.00					01/16/2007 -7,032.00	05/04/2009
9,124.00		550. INTEL CORP PROPERTY TYPE: SECURITIES 12,576.00					01/16/2007 -3,452.00	05/04/2009
8,352.00		240. J P MORGAN CHASE & CO PROPERTY TYPE: SECURITIES 11,630.00					01/16/2007 -3,278.00	05/04/2009
13,415.00		250. JOHNSON + JOHNSON COM STK PROPERTY TYPE: SECURITIES 16,046.00					01/16/2007 -2,631.00	05/04/2009
10,116.00		300. ELI LILLY & COMPANY PROPERTY TYPE: SECURITIES 15,581.00					01/09/2007 -5,465.00	05/04/2009
6,592.00		200. MEDTRONIC INC PROPERTY TYPE: SECURITIES 9,883.00					10/10/2006 -3,291.00	05/04/2009
7,362.00		300. MERCK + CO COM STK PROPERTY TYPE: SECURITIES 16,897.00					01/16/2007 -9,535.00	05/04/2009
6,024.00		300. MICROSOFT CORP PROPERTY TYPE: SECURITIES 10,952.00					01/16/2007 -4,928.00	05/04/2009

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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
2,452.00		50. PEPSICO INC PROPERTY TYPE: SECURITIES 3,243.00					01/16/2007	05/04/2009
							-791.00	
3,130.00		225. PFIZER INC COM STK PROPERTY TYPE: SECURITIES 5,855.00					03/03/2006	05/04/2009
							-2,725.00	
4,155.00		110. PHILLIP MORRIS INTL INC COMMON PROPERTY TYPE: SECURITIES 5,201.00					01/16/2007	05/04/2009
							-1,046.00	
7,630.00		150. PROCTER & GAMBLE CO COM STK* PROPERTY TYPE: SECURITIES 5,141.00					04/20/2000	05/04/2009
							2,489.00	
15,457.00		1025. PROGRESSIVE CORP COMMON PROPERTY TYPE: SECURITIES 23,014.00					07/24/2007	05/04/2009
							-7,557.00	
8,658.00		200. QUALCOMM INC COMMON PROPERTY TYPE: SECURITIES 8,133.00					02/28/2007	05/04/2009
							525.00	
4,015.00		75. SCHLUMBERGER LTD COMMON PROPERTY TYPE: SECURITIES 2,878.00					02/18/2009	05/04/2009
							1,137.00	
1,995.00		175. AMEX FINANCIAL SELECT SPDR PROPERTY TYPE: SECURITIES 1,395.00					02/18/2009	05/04/2009
							600.00	
12,099.00		300. TARGET CORP COM PROPERTY TYPE: SECURITIES 18,233.00					01/16/2007	05/04/2009
							-6,134.00	
13,728.00		235. 3M COMPANY COMMON PROPERTY TYPE: SECURITIES 16,877.00					08/18/2005	05/04/2009
							-3,149.00	
11,584.00		400. TIFFANY AND COMPANY COMMON PROPERTY TYPE: SECURITIES 13,292.00					06/30/2006	05/04/2009
							-1,708.00	

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Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
3,067.00		75. THE TRAVELERS COMPANIES INC COMMON PROPERTY TYPE: SECURITIES 3,834.00				01/16/2007	05/04/2009	-767.00
15,485.00		500. VERIZON COMMUNICATIONS PROPERTY TYPE: SECURITIES 5,653.00				04/09/1996	05/04/2009	9,832.00
2,376.00		100. WELLS FARGO & CO. (NEW) PROPERTY TYPE: SECURITIES 2,611.00				08/19/2002	05/04/2009	-235.00
3,681.00		50. TRANSOCEAN LTD PROPERTY TYPE: SECURITIES 2,868.00				02/18/2009	05/04/2009	813.00
29,310.00		3315.571 BB&T MID CAP VALUE FUND FUND #0 PROPERTY TYPE: SECURITIES 42,828.00				07/11/2002	05/06/2009	-13,518.00
16,091.00		2201.258 BB&T CAPITAL APPRECIATION FUND PROPERTY TYPE: SECURITIES 20,341.00				12/02/2002	05/06/2009	-4,250.00
437,363.00		43005.181 BB&T INTERMEDIATE CORPORATE BO PROPERTY TYPE: SECURITIES 436,267.00				01/17/2006	05/06/2009	1,096.00
73,556.00		9058.575 FEDERATED HIGH YIELD BOND INST PROPERTY TYPE: SECURITIES 68,664.00				10/15/2008	05/06/2009	4,892.00
60,269.00		7422.341 FEDERATED HIGH YIELD BOND INST PROPERTY TYPE: SECURITIES 76,079.00				07/14/2006	05/06/2009	-15,810.00
8,692.00		467.071 FIDELITY ADV SMALL CAP I(298) PROPERTY TYPE: SECURITIES 10,000.00				01/28/2004	05/06/2009	-1,308.00
72,566.00		6820.119 FIDELITY ADVISOR STRATEGIC INC PROPERTY TYPE: SECURITIES 80,000.00				01/24/2006	05/06/2009	-7,434.00

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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
11,309.00		1120.83 NORTHERN SMALL CAP VALUE FUND # PROPERTY TYPE: SECURITIES 13,775.00					10/06/2008	05/06/2009 -2,466.00
5,855.00		275. INVESCO INTERNATIONAL GROWTH FUND C PROPERTY TYPE: SECURITIES 5,462.00					05/06/2009	06/01/2009 393.00
965.00		100. BB&T SHORT INTER US GOVT INC TR SHS PROPERTY TYPE: SECURITIES 967.00					05/06/2009	06/01/2009 -2.00
1,006.00		75. BB&T SPECIAL OPPORTUNITIES CL I FUND PROPERTY TYPE: SECURITIES 978.00					05/06/2009	06/01/2009 28.00
6,444.00		225. COACH INC COMMON PROPERTY TYPE: SECURITIES 5,706.00					05/04/2009	06/01/2009 738.00
1,199.00		25. CONOCOPHILLIPS PROPERTY TYPE: SECURITIES 1,571.00					01/16/2007	06/01/2009 -372.00
2,147.00		175. DODGE & COX INCOME FUND PROPERTY TYPE: SECURITIES 2,118.00					05/06/2009	06/01/2009 29.00
4,461.00		100. HARBOR INTL FD PROPERTY TYPE: SECURITIES 4,192.00					05/06/2009	06/01/2009 269.00
857.00		25. MEDTRONIC INC PROPERTY TYPE: SECURITIES 1,235.00					10/10/2006	06/01/2009 -378.00
3,045.00		325. PIMCO FOREIGN BOND (US DOLLAR HEDGE PROPERTY TYPE: SECURITIES 2,997.00					05/06/2009	06/01/2009 48.00
1,323.00		25. PEPSICO INC PROPERTY TYPE: SECURITIES 1,621.00					01/16/2007	06/01/2009 -298.00

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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
1,117.00		25. QUALCOMM INC COMMON PROPERTY TYPE: SECURITIES 1,017.00				02/28/2007	06/01/2009	
						100.00		
4,315.00		375. DELL INC COMMON PROPERTY TYPE: SECURITIES 7,381.00				07/21/2006	06/03/2009	
						-3,066.00		
1,769.00		65. ARCHER DANIELS MIDLAND CO PROPERTY TYPE: SECURITIES 1,697.00				05/04/2009	06/18/2009	
						72.00		
1,657.00		4. GOOGLE INC COMMON PROPERTY TYPE: SECURITIES 1,606.00				05/04/2009	06/18/2009	
						51.00		
4,610.00		150. MARATHON OIL CORPORATION COMMON PROPERTY TYPE: SECURITIES 4,680.00				05/04/2009	06/18/2009	
						-70.00		
2,992.00		200. PFIZER INC COM STK PROPERTY TYPE: SECURITIES 5,204.00				03/03/2006	06/18/2009	
						-2,212.00		
4,120.00		100. T ROWE PRICE GROUP INC PROPERTY TYPE: SECURITIES 4,016.00				05/04/2009	06/18/2009	
						104.00		
677.00		15. QUALCOMM INC COMMON PROPERTY TYPE: SECURITIES 610.00				02/28/2007	06/18/2009	
						67.00		
754.00		30. UNITEDHEALTH GROUP PROPERTY TYPE: SECURITIES 710.00				05/04/2009	06/18/2009	
						44.00		
2,247.00		45. WELLPOINT INC COMMON PROPERTY TYPE: SECURITIES 1,967.00				05/04/2009	06/18/2009	
						280.00		
1,057.00		45. WELLS FARGO & CO. (NEW) PROPERTY TYPE: SECURITIES 1,175.00				08/19/2002	06/18/2009	
						-118.00		

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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
8,320.00		400. INVESCO INTERNATIONAL GROWTH FUND C PROPERTY TYPE: SECURITIES 7,857.00					05/06/2009	06/19/2009
							463.00	
3,616.00		350. BB&T INTER US GOVT BD FUND TR SHS PROPERTY TYPE: SECURITIES 3,672.00					05/06/2009	06/19/2009
							-56.00	
6,253.00		650. BB&T SHORT INTER US GOVT INC TR SHS PROPERTY TYPE: SECURITIES 6,286.00					05/06/2009	06/19/2009
							-33.00	
698.00		50. COMCAST CORP PROPERTY TYPE: SECURITIES 701.00				CLAS	06/01/2009	06/19/2009
							-3.00	
5,585.00		450. DODGE & COX INCOME FUND PROPERTY TYPE: SECURITIES 5,445.00					05/06/2009	06/19/2009
							140.00	
10,542.00		250. HARBOR INTL FD PROPERTY TYPE: SECURITIES 10,480.00					05/06/2009	06/19/2009
							62.00	
1,207.00		50. MICROSOFT CORP PROPERTY TYPE: SECURITIES 1,537.00					01/16/2007	06/19/2009
							-330.00	
6,636.00		700. PIMCO FOREIGN BOND (US DOLLAR HEDGE PROPERTY TYPE: SECURITIES 6,454.00					05/06/2009	06/19/2009
							182.00	
6,336.00		600. VANGUARD GNMA FUND #36 CL INV PROPERTY TYPE: SECURITIES 6,408.00					05/06/2009	06/19/2009
							-72.00	
2,027.00		35. AMGEN INC PROPERTY TYPE: SECURITIES 2,568.00					01/16/2007	07/13/2009
							-541.00	
646.00		55. AMEX FINANCIAL SELECT SPDR PROPERTY TYPE: SECURITIES 439.00					02/18/2009	07/13/2009
							207.00	

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Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
995.00		20. WELLPOINT INC COMMON PROPERTY TYPE: SECURITIES 874.00				05/04/2009	07/13/2009 121.00	
2,556.00		85. ARCHER DANIELS MIDLAND CO PROPERTY TYPE: SECURITIES 2,219.00				05/04/2009	07/31/2009 337.00	
2,238.00		105. EBAY INC COMMON PROPERTY TYPE: SECURITIES 3,474.00				11/13/2006	07/31/2009 -1,236.00	
726.00		35. ABB LTD SPONS ADR PROPERTY TYPE: SECURITIES 592.00				10/14/2008	09/10/2009 134.00	
5,344.00		225. INVESCO INTERNATIONAL GROWTH FUND C PROPERTY TYPE: SECURITIES 4,138.00				02/09/2009	09/10/2009 1,206.00	
29,918.00		1299.65 ALLIANZ NFJ SMALL CAP VALUE-CLOS PROPERTY TYPE: SECURITIES 26,300.00				06/19/2009	09/10/2009 3,618.00	
868.00		15. ANADARKO PETE CORP PROPERTY TYPE: SECURITIES 324.00				08/19/2002	09/10/2009 544.00	
1,345.00		15. APACHE CORPORATION COMMON PROPERTY TYPE: SECURITIES 1,195.00				05/04/2009	09/10/2009 150.00	
6,373.00		380. ARTISAN MID CAP VALUE #1464 CLD TO PROPERTY TYPE: SECURITIES 5,559.00				05/06/2009	09/10/2009 814.00	
136,739.00		14125.905 BB&T SHORT INTER US GOVT INC T PROPERTY TYPE: SECURITIES 136,598.00				05/06/2009	09/10/2009 141.00	
4,434.00		300. BB&T SPECIAL OPPORTUNITIES CL I FUN PROPERTY TYPE: SECURITIES 3,947.00				06/19/2009	09/10/2009 487.00	

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CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
2,810.00		120. EBAY INC COMMON PROPERTY TYPE: SECURITIES 3,970.00				11/13/2006	09/10/2009	
						-1,160.00		
14,040.00		270. HARBOR INTL FD PROPERTY TYPE: SECURITIES 11,318.00				05/06/2009	09/10/2009	
						2,722.00		
1,172.00		10. INTERNATIONAL BUSINESS MACHINES COM PROPERTY TYPE: SECURITIES 1,063.00				05/04/2009	09/10/2009	
						109.00		
8,888.00		530. LAZARD EMERGING MKTS PORTFOLIO INST PROPERTY TYPE: SECURITIES 7,795.00				06/19/2009	09/10/2009	
						1,093.00		
59,144.00		5850. PIMCO FOREIGN BOND (US DOLLAR HEDG PROPERTY TYPE: SECURITIES 53,937.00				05/06/2009	09/10/2009	
						5,207.00		
3,444.00		125. SMITH INTL INC COMMON PROPERTY TYPE: SECURITIES 3,550.00				05/04/2009	09/10/2009	
						-106.00		
53,718.00		3772.364 VANGUARD MID CAP GROWTH FUND FU PROPERTY TYPE: SECURITIES 47,250.00				06/19/2009	09/10/2009	
						6,468.00		
138,085.00		12869.101 VANGUARD GNMA FUND #36 CL INV PROPERTY TYPE: SECURITIES 137,442.00				05/06/2009	09/10/2009	
						643.00		
3,629.00		145. UNITEDHEALTH GROUP PROPERTY TYPE: SECURITIES 3,431.00				05/04/2009	09/30/2009	
						198.00		
1,030.00		50. ABB LTD SPONS ADR PROPERTY TYPE: SECURITIES 845.00				10/14/2008	10/09/2009	
						185.00		
1,685.00		25. ANADARKO PETE CORP PROPERTY TYPE: SECURITIES 541.00				08/19/2002	10/09/2009	
						1,144.00		

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
1,806.00		50. CVS CORP PROPERTY TYPE: SECURITIES 1,638.00					09/10/2009	10/09/2009 168.00
1,166.00		75. COMCAST CORP PROPERTY TYPE: SECURITIES 1,570.00			CLAS		10/31/2007	10/09/2009 -404.00
61,118.00		590. ISHARES LEHMAN 1-3 YEAR CREDIT BOND PROPERTY TYPE: SECURITIES 61,661.00					09/10/2009	10/09/2009 -543.00
3,164.00		175. LAZARD EMERGING MKTS PORTFOLIO INST PROPERTY TYPE: SECURITIES 2,448.00					06/19/2009	10/09/2009 716.00
1,345.00		40. PALL CORP PROPERTY TYPE: SECURITIES 1,074.00					05/04/2009	10/15/2009 271.00
2,088.00		70. UNILEVER PLC-SPONSORED ADR PROPERTY TYPE: SECURITIES 1,446.00					05/04/2009	10/15/2009 642.00
5,499.00		375. AMEX FINANCIAL SELECT SPDR PROPERTY TYPE: SECURITIES 3,056.00					09/10/2009	11/24/2009 2,443.00
3,474.00		35. APACHE CORPORATION COMMON PROPERTY TYPE: SECURITIES 2,787.00					05/04/2009	12/15/2009 687.00
287.00		5. AMGEN INC PROPERTY TYPE: SECURITIES 295.00					09/10/2009	12/29/2009 -8.00
2,298.00		40. AMGEN INC PROPERTY TYPE: SECURITIES 2,934.00					01/16/2007	12/29/2009 -636.00
1,302.00		40. CVS CORP PROPERTY TYPE: SECURITIES 1,271.00					05/04/2009	12/29/2009 31.00

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
2,689.00		140. CORNING INC PROPERTY TYPE: SECURITIES 2,092.00					05/04/2009	12/29/2009
							597.00	
1,939.00		60. WALT DISNEY COMPANY THE PROPERTY TYPE: SECURITIES 1,371.00					05/04/2009	12/29/2009
							568.00	
2,387.00		55. EMERSON ELECTRIC CO PROPERTY TYPE: SECURITIES 2,038.00					10/14/2008	12/29/2009
							349.00	
1,580.00		30. HEWLETT-PACKARD CO COMM STK PROPERTY TYPE: SECURITIES 1,062.00					06/03/2009	12/29/2009
							518.00	
650.00		10. JOHNSON + JOHNSON COM STK PROPERTY TYPE: SECURITIES 557.00					08/19/2002	12/29/2009
							93.00	
2,600.00		70. MERCK & CO INC COMMON PROPERTY TYPE: SECURITIES 3,150.00					01/16/2007	12/29/2009
							-550.00	
2,351.00		75. MICROSOFT CORP PROPERTY TYPE: SECURITIES 1,984.00					06/10/2002	12/29/2009
							367.00	
925.00		15. PROCTER & GAMBLE CO COM STK* PROPERTY TYPE: SECURITIES 514.00					04/20/2000	12/29/2009
							411.00	
1,872.00		75. STAPLES INC PROPERTY TYPE: SECURITIES 1,559.00					05/04/2009	12/29/2009
							313.00	
1,978.00		70. SYSCO PROPERTY TYPE: SECURITIES 1,630.00					05/04/2009	12/29/2009
							348.00	
1,248.00		25. THE TRAVELERS COMPANIES INC COMMON PROPERTY TYPE: SECURITIES 1,278.00					01/16/2007	12/29/2009
							-30.00	

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
782.00		35. US BANCORP PROPERTY TYPE: SECURITIES 918.00					12/03/2008 -136.00	12/29/2009
2,814.00		156.26 LAZARD EMERGING MKTS PORTFOLIO IN PROPERTY TYPE: SECURITIES 1,992.00					10/15/2008 822.00	12/31/2009
TOTAL GAIN (LOSS) .....		.....					----- -89,668. =====	

ARNOLD, ARTHUR - TUW

C/O

55-6018517

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT INCOME	48,471.	48,196.
TOTAL	48,471.	48,196.

FORM 990PF, PART I - LEGAL FEES  
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
LEGAL FEES - PRINCIPAL (ALLCCA)	1,365.			1,365.
TOTFLS	1,365.	NONE	NONE	1,365.

FORM 990PF, PART I - ACCOUNTING FEES  
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEE (NON-ALLOC	1,000.			1,000.
TOTALS	1,000.	NONE	NONE	1,000.

FORM 990PF, PART I - TAXES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES	3.	3.
FEDERAL TAX PAYMENT - PRIOR YE	986.	
FEDERAL ESTIMATES - PRINCIPAL	944.	
FOREIGN TAXES ON QUALIFIED FOR	314.	314.
FOREIGN TAXES ON NONQUALIFIED	39.	39.
TOTALS	2,286.	356.

FORM 990PF, PART I - OTHER EXPENSES  
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ADMIN FEE	4.	4.
TOTALS	4.	4.

ARNOLD, ARTHUR-TUW

C/O

55-6018517

FORM 990PF, PART II - CORPORATE STOCK  
=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
AT&T INC COMMON	769.	5,914.
ABBOTT LABORATORIES COMMON	5,574.	6,749.
APPLIED MATERIALS COMMON	4,291.	4,670.
AMGEN INC COMMON	3,230.	2,546.
ANADARKO PETE CORP COMMON	1,298.	3,745.
BAXTER INTERNATIONAL INC COM	5,630.	6,455.
CISCO SYSTEMS COMM	3,450.	5,985.
COMCAST CORP CLASS A	6,876.	6,575.
CONOCOPHILLIPS	8,379.	7,660.
BERKSHIRE HATHAWAY INC DEL CL	3,095.	3,286.
CVS CAREMARK CORP COMMON	4,290.	4,348.
CAMPBELL SOUP CO COMPANY COM	4,724.	4,901.
CHEVRON CORP COMMON	5,394.	6,159.
EMERSON ELECTRIC COMP COMMON	6,023.	6,816.
EXXON MOBIL CORP COMMON	7,958.	7,842.
WALT DISNEY COMP COMMON	6,284.	8,869.
GENERAL ELECTRIC COMP COMMON	10,085.	5,295.
EI DUPONT DE NEMOURS COMP COMM	3,827.	4,377.
EDISON INTL COM	3,280.	3,826.
EXELON CORP	2,370.	2,443.
GENUINE PARTS COMPANY COMMON	4,382.	4,365.
J P MORGAN CHASE & CO COMMON	3,846.	4,584.
JOHNSON & JOHNSON COMMON	5,295.	6,119.
KRAFT FOODS INC-A COMMON	5,356.	5,463.
CORNING INC COMMON	4,482.	5,793.
MEDTRONIC INC COMMON	7,801.	7,037.
MERCK & CO INC COMMON	9,970.	9,866.
GOOGLE INC COMM	2,409.	3,720.
MICROSOFT CORP COMMON	11,276.	13,259.

ARNOLD, ARTHUR-TUW

C/O

55-6018517

FORM 990PF, PART II - CORPORATE STOCK  
=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
PEPSICO INC COMMON	5,083.	4,864.
HEWLETT PACKARD COMPANY COMMON	4,247.	6,181.
INTERNATIONAL BUSINESS MACHINE	4,250.	5,236.
PROCTER AND GAMBLE COMMON	1,994.	3,335.
SUNCOR ENERGY, INC	3,099.	3,531.
QUALCOMM INC COMMON	2,440.	2,776.
TRANSOCEAN LTD	3,562.	4,968.
AVERY DENNISON CORP COMMON	4,951.	6,386.
UNILEVER PLC-SPONSORED ADR	3,717.	5,742.
THE TRAVELERS COMPANIES	5,624.	5,485.
US BANCORP COMMON	4,627.	4,952.
VODAFONE GROUP PLC COMMON	6,092.	7,158.
WELLS FARGO & CO COMMON	3,609.	4,183.
ABB LTD SPONS ADR	4,901.	5,539.
INTEL COMMON	7,894.	8,160.
METLIFE INC COMMON	2,762.	2,828.
MONSANTO CO COMMON	5,600.	5,314.
ORACLE SYS CORP COMMON	4,790.	6,132.
PALL CORPORATION COMMON	4,296.	5,792.
SCHLUMBERGER LTD COMMON	4,414.	7,485.
STAPLES INC COMMON	4,156.	4,918.
STATE STREET CORP COMMON	2,687.	2,830.
SYSICO CORPORATION COMMON	4,658.	5,588.
WELLPOINT INC COMMON	3,716.	4,955.
TOTALS	254,813.	293,005.

ARNOLD, ARTHUR - TUW

C/O

55-6018517

FORM 990PF, PART II - CORPORATE BONDS  
=====

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ----
HSBC FINANC CORP 6.45% 4/15/11	10,000.	10,349.
TOTALS	10,000.	10,349.
	=====	=====

ARNOLD, ARTHUR-TUW

C/O

55-6018517

FORM 990PF, PART II - OTHER INVESTMENTS  
=====

DESCRIPTION	COST/ FMV	C	OR	F	ENDING BOOK VALUE	ENDING FMV
-----	-----	-----	-----	-----	-----	-----
TCW GROWTH EQUITIES FUND CL I		C			47,380.	51,876.
BB&T SPECIAL OPPORTUNITIES 321		C			42,175.	50,973.
VIRTUS QUALITY SML CAP FD 1764		C			22,080.	24,128.
ARTISAN MID CAP VALUE #1464		C			41,916.	51,526.
FEDERATED MDT SML CAP GRTH 284		C			19,550.	23,171.
LAZARD EMERGIN MKT PORT CL 638		C			38,181.	52,926.
DODGE & COX INCOME FUND #147		C			122,008.	128,411.
FEDERATED HIGH YLD BD INST 900		C			31,175.	33,148.
BB&T INTER US GOVT CL I FD 341		C			126,894.	126,539.
FEDERATED TOTAL RT GOVT FD 647		C			31,775.	31,300.
TCW TOTAL RETURN BOND FUND 728		C			126,630.	125,216.
VANGUARD GNMA FUND #36 CL INV		C			51,250.	50,726.
AIM INTERNL GROWTH FD CL I FD		C			37,064.	50,483.
HARBOR INTERN'L FD INST CL #11		C			57,985.	75,897.
PIMCO FOREIGN BOND FD CL #103		C			57,188.	61,946.
PIMCO COMMODITY RL RT STRATEGY		C			32,940.	36,773.
ISHARES LEHMAN CREDIT BD FD		C			61,619.	60,821.
ISHARES SILVER TRUST		C			5,708.	6,698.
SPDR GOLD TRUST		C			2,700.	3,219.
ISHARES MSCI EAFE SML CAP INDX		C			16,879.	19,516.
TOTALS					973,097.	1,065,293.
					=====	=====

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

-----  
DESCRIPTION

AMOUNT  
-----

ROUNDING  
YEAR END SALES ADJUSTMENT

3,057.  
-----

TOTAL

3,057.  
=====

ARNOLD, ARTHUR-TUW

C/O

55-6018517

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

WV

STATEMENT 11

ARNOLD, ARTHUR-TUW

C/O

55-6018517

FORM 990PF, PART VII-A, LINE 14 - BOOKS ARE IN THE CARE OF  
=====

NAME: BRANCH BANKING & TRUST COMPANY

ADDRESS: 6400 ARLINGTON BLVD., STE 1120  
FALLS CHURCH, VA 22042-2349

TELEPHONE NUMBER: (540) 554-2227

STATEMENT 12

ARNOLD, ARTHUR-TUW

C/O

55-6018517

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

=====

OFFICER NAME:

BRANCH BANKING & TRUST CO

ADDRESS:

6400 ARLINGTON BLVD., SUITE 1120

FALLS CHURCH, VA 22042-2349

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION ..... 8,111.

TOTAL COMPENSATION: 8,111.

=====

ARNOLD, ARTHUR-TUW

C/O

55-6018517

FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID

=====

RECIPIENT NAME:

ST. JAMES EPISCOPAL CHURCH

ADDRESS:

P.O. BOX 279

WESTERNPORT, MD 21562

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL PURPOSE OF THE CHARITY

FOUNDATION STATUS OF RECIPIENT:

EXEMPT

AMOUNT OF GRANT PAID ..... 77,551.

TOTAL GRANTS PAID:

77,551.

=====

**SCHEDULE D  
(Form 1041)**

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

**2009**

Name of estate or trust

ARNOLD, ARTHUR-TUW

C/O

Employer identification number

55-6018517

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

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>1a</b> SHORT-TERM CAPITAL GAIN DIVIDENDS		STMT 1			2,246.
<b>b</b> Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .					<b>1b</b> 36,898.
<b>2</b> Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .					<b>2</b>
<b>3</b> Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .					<b>3</b>
<b>4</b> Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet . . . . .					<b>4</b> ( )
<b>5</b> <b>Net short-term gain or (loss).</b> Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back . . . . . ▶					<b>5</b> 39,144.

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>6a</b> LONG-TERM CAPITAL GAIN DIVIDENDS		STMT 1			1,026.
<b>b</b> Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .					<b>6b</b> -129,838.
<b>7</b> Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .					<b>7</b>
<b>8</b> Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .					<b>8</b>
<b>9</b> Capital gain distributions . . . . .					<b>9</b>
<b>10</b> Gain from Form 4797, Part I . . . . .					<b>10</b>
<b>11</b> Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet . . . . .					<b>11</b> ( )
<b>12</b> <b>Net long-term gain or (loss).</b> Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back . . . . . ▶					<b>12</b> -128,812.

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

Schedule D (Form 1041) 2009

<b>Part III Summary of Parts I and II</b>		(1) Beneficiaries'	(2) Estate's	(3) Total
<b>Caution: Read the instructions before completing this part.</b>		(see page 5)	or trust's	
<b>13</b>	<b>Net short-term gain or (loss)</b> . . . . .	<b>13</b>		39,144.
<b>14</b>	<b>Net long-term gain or (loss):</b>			
	<b>a</b> Total for year . . . . .	<b>14a</b>		-128,812.
	<b>b</b> Unrecaptured section 1250 gain (see line 18 of the wrksht.) . . . . .	<b>14b</b>		
	<b>c</b> 28% rate gain . . . . .	<b>14c</b>		
<b>15</b>	<b>Total net gain or (loss).</b> Combine lines 13 and 14a . . . . . ▶	<b>15</b>		-89,668.

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

**Part IV Capital Loss Limitation**

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

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

**Part V Tax Computation Using Maximum Capital Gains Rates**

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

**Caution:** Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

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

<b>17</b>	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . . .	<b>17</b>		
<b>18</b>	Enter the smaller of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>		
<b>19</b>	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . . . .	<b>19</b>		
<b>20</b>	Add lines 18 and 19 . . . . .	<b>20</b>		
<b>21</b>	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . . ▶	<b>21</b>		
<b>22</b>	Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>		
<b>23</b>	Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>		
<b>24</b>	Enter the smaller of the amount on line 17 or \$2,300 . . . . .	<b>24</b>		
<b>25</b>	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23 . . . . .	<b>25</b>		
<b>26</b>	Subtract line 25 from line 24 . . . . .	<b>26</b>		
<b>27</b>	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22 . . . . .	<b>27</b>		
<b>28</b>	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>28</b>		
<b>29</b>	Subtract line 28 from line 27 . . . . .	<b>29</b>		
<b>30</b>	Multiply line 29 by 15% ( 15) . . . . .	<b>30</b>		
<b>31</b>	Figure the tax on the amount on line 23. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	<b>31</b>		
<b>32</b>	Add lines 30 and 31 . . . . .	<b>32</b>		
<b>33</b>	Figure the tax on the amount on line 17. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	<b>33</b>		
<b>34</b>	<b>Tax on all taxable income.</b> Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . . . .	<b>34</b>		

**SCHEDULE D-1  
(Form 1041)**

**Continuation Sheet for Schedule D  
(Form 1041)**

OMB No 1545-0092

Department of the Treasury  
Internal Revenue Service

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

**2009**

Name of estate or trust  
**ARNOLD, ARTHUR - TUW** C/O  
Employer identification number  
**55-6018517**

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a 1006.412 FIDELITY ADV. DIVERS INTL-INS CLASS I	10/15/2008	02/09/2009	11,312.00	12,399.00	-1,087.00
125. ABB LTD SPONS ADR	10/14/2008	05/04/2009	1,987.00	2,112.00	-125.00
175. EMERSON ELECTRIC CO	10/14/2008	05/04/2009	6,466.00	6,484.00	-18.00
75. SCHLUMBERGER LTD COMMON	02/18/2009	05/04/2009	4,015.00	2,878.00	1,137.00
175. AMEX FINANCIAL SELECT SPDR	02/18/2009	05/04/2009	1,995.00	1,395.00	600.00
50. TRANSOCEAN LTD	02/18/2009	05/04/2009	3,681.00	2,868.00	813.00
9058.575 FEDERATED HIGH YIELD BOND INST CL FUND #	10/15/2008	05/06/2009	73,556.00	68,664.00	4,892.00
1120.83 NORTHERN SMALL CAP VALUE FUND # 603	10/06/2008	05/06/2009	11,309.00	13,775.00	-2,466.00
275. INVESCO INTERNATIONAL GROWTH FUND CL I F	05/06/2009	06/01/2009	5,855.00	5,462.00	393.00
100. BB&T SHORT INTER US GOVT INC TR SHS	05/06/2009	06/01/2009	965.00	967.00	-2.00
75. BB&T SPECIAL OPPORTUNITIES CL I FUND # 0	05/06/2009	06/01/2009	1,006.00	978.00	28.00
225. COACH INC COMMON	05/04/2009	06/01/2009	6,444.00	5,706.00	738.00
175. DODGE & COX INCOME FUND	05/06/2009	06/01/2009	2,147.00	2,118.00	29.00
100. HARBOR INTL FD	05/06/2009	06/01/2009	4,461.00	4,192.00	269.00
325. PIMCO FOREIGN BOND (US DOLLAR HEDGED) FU	05/06/2009	06/01/2009	3,045.00	2,997.00	48.00
65. ARCHER DANIELS MIDLAND CO	05/04/2009	06/18/2009	1,769.00	1,697.00	72.00
4. GOOGLE INC COMMON	05/04/2009	06/18/2009	1,657.00	1,606.00	51.00
150. MARATHON OIL CORPORATION COMMON	05/04/2009	06/18/2009	4,610.00	4,680.00	-70.00
100. T ROWE PRICE GROUP INC	05/04/2009	06/18/2009	4,120.00	4,016.00	104.00
30. UNITEDHEALTH GROUP	05/04/2009	06/18/2009	754.00	710.00	44.00
45. WELLPOINT INC COMMON	05/04/2009	06/18/2009	2,247.00	1,967.00	280.00
400. INVESCO INTERNATIONAL GROWTH FUND CL I F	05/06/2009	06/19/2009	8,320.00	7,857.00	463.00
350. BB&T INTER US GOVT BD FUND TR SHS	05/06/2009	06/19/2009	3,616.00	3,672.00	-56.00
650. BB&T SHORT INTER US GOVT INC TR SHS	05/06/2009	06/19/2009	6,253.00	6,286.00	-33.00

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

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

Schedule D-1 (Form 1041) 2009

**SCHEDULE D-1  
(Form 1041)**

**Continuation Sheet for Schedule D  
(Form 1041)**

OMB No 1545-0092

**2009**

Department of the Treasury  
Internal Revenue Service

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

Name of estate or trust **ARNOLD, ARTHUR-TUW** C/O Employer identification number **55-6018517**

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr)	(c) Date sold (mo., day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a 50. COMCAST CORP CLASS A	06/01/2009	06/19/2009	698.00	701.00	-3.00
450. DODGE & COX INCOME FUND	05/06/2009	06/19/2009	5,585.00	5,445.00	140.00
250. HARBOR INTL FD	05/06/2009	06/19/2009	10,542.00	10,480.00	62.00
700. PIMCO FOREIGN BOND (US DOLLAR HEDGED) FU	05/06/2009	06/19/2009	6,636.00	6,454.00	182.00
600. VANGUARD GNMA FUND #36 CL INV	05/06/2009	06/19/2009	6,336.00	6,408.00	-72.00
55. AMEX FINANCIAL SELECT SPDR	02/18/2009	07/13/2009	646.00	439.00	207.00
20. WELLPOINT INC COMMON	05/04/2009	07/13/2009	995.00	874.00	121.00
85. ARCHER DANIELS MIDLAND CO	05/04/2009	07/31/2009	2,556.00	2,219.00	337.00
35. ABB LTD SPONS ADR	10/14/2008	09/10/2009	726.00	592.00	134.00
225. INVESCO INTERNATIONAL GROWTH FUND CL I F	02/09/2009	09/10/2009	5,344.00	4,138.00	1,206.00
1299.65 ALLIANZ NFJ SMALL CAP VALUE-CLOSED FD 46	06/19/2009	09/10/2009	29,918.00	26,300.00	3,618.00
15. APACHE CORPORATION COMMON	05/04/2009	09/10/2009	1,345.00	1,195.00	150.00
380. ARTISAN MID CAP VALUE #1464 CLD TO NEW I	05/06/2009	09/10/2009	6,373.00	5,559.00	814.00
14125.905 BB&T SHORT INTER US GOVT INC TR SHS	05/06/2009	09/10/2009	136,739.00	136,598.00	141.00
300. BB&T SPECIAL OPPORTUNITIES CL I FUND # 0	06/19/2009	09/10/2009	4,434.00	3,947.00	487.00
270. HARBOR INTL FD	05/06/2009	09/10/2009	14,040.00	11,318.00	2,722.00
10. INTERNATIONAL BUSINESS MACHINES COM	05/04/2009	09/10/2009	1,172.00	1,063.00	109.00
530. LAZARD EMERGING MKTS PORTFOLIO INST CLAS	06/19/2009	09/10/2009	8,888.00	7,795.00	1,093.00
5850. PIMCO FOREIGN BOND (US DOLLAR HEDGED) FU	05/06/2009	09/10/2009	59,144.00	53,937.00	5,207.00
125. SMITH INTL INC COMMON	05/04/2009	09/10/2009	3,444.00	3,550.00	-106.00
3772.364 VANGUARD MID CAP GROWTH FUND FUND 301	06/19/2009	09/10/2009	53,718.00	47,250.00	6,468.00
12869.101 VANGUARD GNMA FUND #36 CL INV	05/06/2009	09/10/2009	138,085.00	137,442.00	643.00
145. UNITEDHEALTH GROUP	05/04/2009	09/30/2009	3,629.00	3,431.00	198.00
50. ABB LTD SPONS ADR	10/14/2008	10/09/2009	1,030.00	845.00	185.00

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

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

Schedule D-1 (Form 1041) 2009

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Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side  
**ARNOLD, ARTHUR-TUW** C/O **55-6018517**  
**Employer identification number**

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a .9 BANK OF AMERICA CORP	07/10/2002	01/21/2009	10.00	39.00	-29.00
2736.609 FIDELITY ADV. DIVERS INTL-INS CLASS I	12/15/2004	02/09/2009	30,759.00	46,898.00	-16,139.00
171. BANK OF AMERICA CORP	08/19/2002	02/18/2009	783.00	7,367.00	-6,584.00
70. THE TRAVELERS COMPANIES INC COMMON	01/16/2007	02/18/2009	2,712.00	3,579.00	-867.00
400. AT&T INC COMMON	12/31/1989	05/04/2009	10,652.00	1,458.00	9,194.00
400. ALCOA, INC.	12/02/2002	05/04/2009	4,092.00	12,074.00	-7,982.00
110. ALTRIA GROUP INC COMMON	01/16/2007	05/04/2009	1,770.00	2,282.00	-512.00
200. AMGEN INC	01/16/2007	05/04/2009	9,694.00	14,672.00	-4,978.00
75. ANADARKO PETE CORP	08/19/2002	05/04/2009	3,571.00	1,622.00	1,949.00
212. BANK OF NEW YORK MELLON CORPORATION COM	01/16/2007	05/04/2009	5,836.00	9,100.00	-3,264.00
650. CISCO SYS INC	01/16/2007	05/04/2009	12,564.00	22,706.00	-10,142.00
100. CONOCOPHILLIPS	01/16/2007	05/04/2009	4,384.00	6,283.00	-1,899.00
300. DELL INC COMMON	07/21/2006	05/04/2009	3,657.00	5,905.00	-2,248.00
300. DOW CHEMICAL CO COM STK*	07/10/2002	05/04/2009	4,884.00	9,736.00	-4,852.00
300. DUKE ENERGY CORPORATION COMMON	04/14/2004	05/04/2009	4,218.00	4,326.00	-108.00
350. EBAY INC COMMON	11/13/2006	05/04/2009	5,862.00	11,579.00	-5,717.00
300. EXXON MOBIL CORP	12/31/1989	05/04/2009	20,388.00	626.00	19,762.00
350. F P L GROUP	11/29/1993	05/04/2009	19,925.00	6,577.00	13,348.00
150. GENERAL ELECTRIC CO COM STK	11/09/1998	05/04/2009	1,959.00	4,461.00	-2,502.00
60. GOLDMAN SACHS GROUP COMMON	01/16/2007	05/04/2009	7,926.00	12,836.00	-4,910.00
115. HERSHEY FOODS	01/16/2007	05/04/2009	4,138.00	5,824.00	-1,686.00
520. HOME DEPOT	01/16/2007	05/04/2009	13,618.00	20,650.00	-7,032.00
550. INTEL CORP	01/16/2007	05/04/2009	9,124.00	12,576.00	-3,452.00
240. J P MORGAN CHASE & CO	01/16/2007	05/04/2009	8,352.00	11,630.00	-3,278.00
250. JOHNSON + JOHNSON COM STK	01/16/2007	05/04/2009	13,415.00	16,046.00	-2,631.00

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

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side  
**ARNOLD, ARTHUR - TUW** C/O **Employer identification number** 55-6018517

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

(a) Description of property (Example 100 sh 7% preferred of 'Z' Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 300. ELI LILLY & COMPANY	01/09/2007	05/04/2009	10,116.00	15,581.00	-5,465.00
200. MEDTRONIC INC	10/10/2006	05/04/2009	6,592.00	9,883.00	-3,291.00
300. MERCK + CO COM STK	01/16/2007	05/04/2009	7,362.00	16,897.00	-9,535.00
300. MICROSOFT CORP	01/16/2007	05/04/2009	6,024.00	10,952.00	-4,928.00
50. PEPSICO INC	01/16/2007	05/04/2009	2,452.00	3,243.00	-791.00
225. PFIZER INC COM STK	03/03/2006	05/04/2009	3,130.00	5,855.00	-2,725.00
110. PHILLIP MORRIS INTL INC COMMON	01/16/2007	05/04/2009	4,155.00	5,201.00	-1,046.00
150. PROCTER & GAMBLE CO COM STK*	04/20/2000	05/04/2009	7,630.00	5,141.00	2,489.00
1025. PROGRESSIVE CORP COMMON	07/24/2007	05/04/2009	15,457.00	23,014.00	-7,557.00
200. QUALCOMM INC COMMON	02/28/2007	05/04/2009	8,658.00	8,133.00	525.00
300. TARGET CORP COM	01/16/2007	05/04/2009	12,099.00	18,233.00	-6,134.00
235. 3M COMPANY COMMON	08/18/2005	05/04/2009	13,728.00	16,877.00	-3,149.00
400. TIFFANY AND COMPANY COMMON	06/30/2006	05/04/2009	11,584.00	13,292.00	-1,708.00
75. THE TRAVELERS COMPANIES INC COMMON	01/16/2007	05/04/2009	3,067.00	3,834.00	-767.00
500. VERIZON COMMUNICATIONS	04/09/1996	05/04/2009	15,485.00	5,653.00	9,832.00
100. WELLS FARGO & CO. (NEW)	08/19/2002	05/04/2009	2,376.00	2,611.00	-235.00
3315.571 BB&T MID CAP VALUE FUND FUND #063/TRUST	07/11/2002	05/06/2009	29,310.00	42,828.00	-13,518.00
2201.258 BB&T CAPITAL APPRECIATION FUND FUND #61/	12/02/2002	05/06/2009	16,091.00	20,341.00	-4,250.00
43005.181 BB&T INTERMEDIATE CORPORATE BOND FUND CLASS	01/17/2006	05/06/2009	437,363.00	436,267.00	1,096.00
7422.341 FEDERATED HIGH YIELD BOND INST CL FUND #	07/14/2006	05/06/2009	60,269.00	76,079.00	-15,810.00
467.071 FIDELITY ADV SMALL CAP I(298)	01/28/2004	05/06/2009	8,692.00	10,000.00	-1,308.00
6820.119 FIDELITY ADVISOR STRATEGIC INC FD CLASS I	01/24/2006	05/06/2009	72,566.00	80,000.00	-7,434.00
25. CONOCOPHILLIPS	01/16/2007	06/01/2009	1,199.00	1,571.00	-372.00
25. MEDTRONIC INC	10/10/2006	06/01/2009	857.00	1,235.00	-378.00
25. PEPSICO INC	01/16/2007	06/01/2009	1,323.00	1,621.00	-298.00

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



FEDERAL CAPITAL GAIN DIVIDENDS  
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SHORT-TERM CAPITAL GAIN DIVIDENDS  
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FEDERATED HIGH YIELD BOND INST CL FUND #	85.00
PIMCO FOREIGN BOND (US DOLLAR HEDGED) FU	1.00
PIMCO FOREIGN BOND (US DOLLAR HEDGED) FU	1,912.00
VANGUARD GNMA FUND #36 CL INV	248.00

TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS	-----	2,246.00
		=====

LONG-TERM CAPITAL GAIN DIVIDENDS  
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15% RATE CAPITAL GAIN DIVIDENDS

FEDERATED TOTAL RETURN GOV'T BOND FUND #647	81.00
PIMCO FOREIGN BOND (US DOLLAR HEDGED) FU	409.00
PIMCO COMMODITY REAL RETURN STRATEGY INS	440.00
VANGUARD GNMA FUND #36 CL INV	95.00

TOTAL 15% RATE CAPITAL GAIN DIVIDENDS	-----	1,026.00
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TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS	-----	1,026.00
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