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

OMB No 1545-0052

2009

610

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

G Check all that apply: ☐ Initial return ☐ 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.	Name of foundation GIPSON FAMILY FOUNDATION		A Employer identification number 56-2001414
	Number and street (or P O box number if mail is not delivered to street address) Room/suite C/O THOMAS GIPSON 7340 SIX FORKS ROAD		B Telephone number (see the instructions) (919) 847-8500
	City or town State ZIP code RALEIGH NC 27615		C If exemption application is pending, check here <input type="checkbox"/>
	H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 14,166,215.		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	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"/>

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 <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	97.	97.		
	4 Dividends and interest from securities	48,626.	48,626.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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)					
SECURITIES CLASS ACTION SETTLEMENTS		17.	17.		
12 Total. Add lines 1 through 11		48,740.	48,740.		
ADMINISTRATIVE OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch)	695.			
	c Other prof fees (attach sch)				
	17 Interest				
	18 Taxes (attach schedule)(see instr) EXCISE TAX ON INV	6,674.			
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Line 23 Stmt	242.	149.		
	24 Total operating and administrative expenses. Add lines 13 through 23	7,611.	149.		
	25 Contributions, gifts, grants paid	901,750.			
26 Total expenses and disbursements. Add lines 24 and 25	909,361.	149.			
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-860,621.				
b Net investment income (if negative, enter -0-)		48,591.			
c Adjusted net income (if negative, enter -0-)					

20 NEP

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
A S S E T S	1 Cash — non-interest-bearing	32,359.	28,094.	28,094.
	2 Savings and temporary cash investments			
	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 the instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments — U S and state government obligations (attach schedule)			
	b Investments — corporate stock (attach schedule)	17,113,608.	14,365,354.	14,138,121.
	c Investments — corporate bonds (attach schedule)			
	11 Investments — land, buildings, and equipment: basis			
L I A B I L I T I E S	Less: accumulated depreciation (attach schedule)			
	12 Investments — mortgage loans			
	13 Investments — other (attach schedule)			
	14 Land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)			
	15 Other assets (describe)			
	16 Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)	17,145,967.	14,393,448.	14,166,215.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
F U N D A S S E T B A L A N C E S	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe)			
	23 Total liabilities (add lines 17 through 22)			
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>			
	24 Unrestricted	17,145,967.	14,393,448.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
F U N D A S S E T B A L A N C E S	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)	17,145,967.	14,393,448.	
	31 Total liabilities and net assets/fund balances (see the instructions)	17,145,967.	14,393,448.	

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	17,145,967.
2 Enter amount from Part I, line 27a	2	-860,621.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	16,285,346.
5 Decreases not included in line 2 (itemize) CAPITAL LOSSES ON SALE OF SECURITIES	5	1,891,898.
6 Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	14,393,448.

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 SEE ATTACHED LIST		D	Various	Various
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 1,653,954.		3,545,852.	-1,891,898.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(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	
a			-1,891,898.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>		2	-1,891,898.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0- in Part I, line 8 </div>		3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

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

1 Enter the appropriate amount in each column for each year, see 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	1,042,457.	18,138,617.	0.057472
2007	822,104.	21,795,208.	0.037719
2006	632,415.	18,681,296.	0.033853
2005	370,355.	13,973,452.	0.026504
2004	246,347.	7,618,215.	0.032337

2 Total of line 1, column (d)	2	0.187885
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.037577
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	10,135,533.
5 Multiply line 4 by line 3	5	380,863.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	486.
7 Add lines 5 and 6	7	381,349.
8 Enter qualifying distributions from Part XII, line 4	8	909,361.

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 <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	486.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	486.
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	486.
6 Credits/Payments:			
a 2009 estimated tax pmts 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	486.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.	
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		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?		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? If 'Yes,' attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
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	X	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) NC - North Carolina		
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	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		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities Continued

11		X
12		X
13	X	

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)

12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address N/A

14 The books are in care of THOMAS L GIPSON Telephone no (919) 847-8500
Located at 7340 SIX FORKS ROAD RALEIGH NC ZIP + 4 27615

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ☐
and enter the amount of tax-exempt interest received or accrued during the year 15

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	
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

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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

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

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

6b

X

If '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

7b

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?**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
THOMAS L GIPSON 7340 SIX FORKS ROAD RALEIGH NC 27615	TRUSTEE 3.00	0.	0.	0.
PATRICIA GIPSON 7340 SIX FORKS ROAD RALEIGH NC 27615	TRUSTREE 1.00	0.	0.	0.
CARY GIPSON 7340 SIX FORKS ROAD RALEIGH NC 27615	TRUSTEE 1.00	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		0.	0.	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
NONE				
0				
0				
0				
0				

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 instructions). If none, enter **NONE**.

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

Total number of others receiving over \$50,000 for professional services**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	
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	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	

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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	10,264,660.
b Average of monthly cash balances	1b	25,221.
c Fair market value of all other assets (see instructions)	1c	0.
d Total (add lines 1a, b, and c)	1d	10,289,881.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	10,289,881.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	154,348.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,135,533.
6 Minimum investment return. Enter 5% of line 5	6	506,777.

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	506,777.
2a Tax on investment income for 2009 from Part VI, line 5	2a	486.
b Income tax for 2009 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	486.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	506,291.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	506,291.
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	506,291.

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	909,361.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	909,361.
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	486.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	908,875.

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				506,291.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			895,613.	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2009:				
a From 2004	0.			
b From 2005	0.			
c From 2006	0.			
d From 2007	0.			
e From 2008	0.			
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 909,361.				
a Applied to 2008, but not more than line 2a			895,613.	
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2009 distributable amount				13,748.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount — see 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				492,543.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
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	0.			
10 Analysis of line 9.				
a Excess from 2005	0.			
b Excess from 2006	0.			
c Excess from 2007	0.			
d Excess from 2008	0.			
e Excess from 2009	0.			

BAA

Form 990-PF (2009)

Part XV Supplementary Information (continued)**5 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
<i>a Paid during the year</i> SEE ATTACHED LIST FOR NAMES, ADDRESSES & AMOUNTS RALEIGH NC 27615		PAID	SEE LIST	901,750.
Total			3a	901,750.
<i>b Approved for future payment</i>				
Total			3b	

Miscellaneous Statement**SUPPLEMENTARY INFORMATION (SECTION XV, QUESTION 2B)**

THE PURPOSE OF THE GIPSON FAMILY FOUNDATION
IS TO ENGAGE IN CHARITABLE ACTIVITIES BY
MAKING GRANTS TO ORGANIZATIONS, WHICH ARE
QUALIFIED CHARITABLE BENEFICIARIES IN
ACCORDANCE WITH APPLICABLE INTERNAL REVENUE
CODE SECTIONS. THE FOUNDATION REQUIRES
ORGANIZATIONS DESIRING GRANTS TO SUBMIT
INFORMATION AS TO THEIR CHARITABLE PURPOSE,
INTENDED USE OF THE GRANT, IRS CHARITABLE
STATUS, ETC. REQUESTS MAY BE SUBMITTED AT
ANY TIME BY WRITING THE TRUSTEES AT THE
FOUNDATION ADDRESS. THE TRUSTEES HAVE SOLE AND
ABSOLUTE DISCRETION WITH RESPECT TO ALL GRANTS.

Total

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
NEWSPAPER AD	93.			
SERVICE CHARGES	149.	149.		
Total	242.	149.		

Form 990-PF, Page 6, Part VIII, Line 1

Information about Officers, Directors, Trustees, Etc.

(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
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> CLAY GIPSON 7340 SIX FORKS ROAD RALEIGH NC 27615	TRUSTEE 1.00	0.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> DONALD GIPSON 7340 SIX FORKS ROAD RALEIGH NC 27615	TRUSTEE 1.00	0.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> ELIZABETH GIPSON 7340 SIX FORKS ROAD RALEIGH NC 27615	TRUSTEE 1.00	0.	0.	0.

Total

0. 0. 0.

Supporting Statement of:**Form 990-PF, p8/Part XII, Line 1a**

Description	Amount
CHARTIBLE CONTRIBUTIONS	901,750.
ADMINISTRATIVE EXPENSES	7,611.
Total	909,361.

Gipson Family Foundation
2009 Donation List

<u>Name</u>	<u>Address</u>	<u>Amount</u>
Food Bank of NC	3808 Tarheel Dr., Raleigh, NC 27609	25,000
Habitat of Wake County	2420 Raleigh Blvd., Raleigh, NC 27604	1,000
Summit Home	PO Box 27284, Raleigh, NC 27611	250
NCMA	2110 Blue Ridge Rd., Raleigh, NC 27607	5,000
Habitat of Wake County	2420 Raleigh Blvd., Raleigh, NC 27604	5,000
Children's Hospital Boston	300 Longwood Ave., Boston, MA 02115	10,000
Grace Lutheran Church	5010 Six Forks Rd., Raleigh, NC 27615	4,000
Homebuilding Community Foundation	4550 Post Oak Pl., Ste. 100, Houston, TX 77027	500,000
Preble Street	PO Box 1459, Portland, ME 04104	5,000
Habitat for Humanity International	121 Habitat St., Americus, GA 31709	50,000
Lutheran Family Services	112 Cox Ave., Raleigh, NC 27605	1,000
Food Bank of Central & Eastern NC	3808 Tarheel Dr., Raleigh, NC 27609	10,000
Assistance League of the Triangle Area	PO Box 98477, Raleigh, NC 27624	7,500
Franklin & Marshall College	PO Box 3003, Lancaster, PA 17604	5,000
Grace Lutheran Church	5010 Six Forks Rd., Raleigh, NC 27615	5,000
Hospice of Wake County	250 Hospice Circle, Raleigh, NC 27607	1,000
Listening Hearts Ministries	1407 Bolton St., Baltimore, MD 21217	7,500
NC Symphony	4361 Lassiter at North Hills Ave., Ste. 105, Raleigh, NC 27609	5,000
Pan Lutheran Ministries	PO Box 6446, Raleigh, NC 27628	10,000
Sofia American Schools, Inc.	PO Box 30, Princeton, NJ 08542	10,000
Wharton Annual Fund	433 Franklin Bldg., Philadelphia, PA 19104	5,000
WUNC	120 Friday Center Dr., Chapel Hill, NC 27517	2,500
Roundup River Ranch Camp	PO Box 8589, Avon, CO 81620	5,000
Homebuilding Community Foundation	4550 Post Oak Place, Ste. 100, Houston, TX 77027	222,000
Total:		<u>901,750</u>

SCHEDULE OF CAPITAL GAINS AND LOSSES

Page 1

01/01/2009 - 12/31/2009

SHARES OR FACE VALUE	SECURITY NAME	PURCHASE /SALE DATE	TOTAL COST	PROCEEDS	REALIZED GAIN/LOSS	LONG SHRT
125,000	ARAWAK ENERGY LTD	10/29/07 03/31/09	349,062.50	98,937.03	250,125.47-	L
6,000	ARAWAK ENERGY LTD	10/30/07 03/31/09	16,560.00	4,748.98	11,811.02-	L
19,300	ARAWAK ENERGY LTD	11/02/07 03/31/09	54,233.00	15,275.88	38,957.12-	L
90,000	ARAWAK ENERGY LTD	11/15/07 03/31/09	243,900.00	71,234.66	172,665.34-	L
259,700	ARAWAK ENERGY LTD	12/10/07 03/31/09	683,919.95	205,551.55	478,368.40-	L
500,000			1,347,675.45	395,748.10	951,927.35-	
1,844,500	MART RESOURCES	01/09/08 09/23/09	826,335.50	204,319.23	622,016.27-	L
155,000	MART RESOURCES	01/10/08 09/23/09	69,781.00	17,169.68	52,611.32-	L
500	MART RESOURCES	01/14/08 09/23/09	224.60	55.39	169.21-	L
2,000,000			896,341.10	221,544.30	674,796.80-	
22,500	GAMMON GOLD INC	06/11/07 10/21/09	292,898.25	208,512.26	84,385.99-	L
15,200	GAMMON GOLD INC	06/12/07 10/21/09	192,953.21	140,861.62	52,091.59-	L
2,300	GAMMON GOLD INC	06/12/07 11/04/09	29,196.87	21,312.55	7,884.32-	L
12,300	GAMMON GOLD INC	06/13/07 11/04/09	155,384.06	113,975.81	41,408.25-	L
5,200	GAMMON GOLD INC	06/15/07 11/04/09	66,330.99	48,184.89	18,146.10-	L
2,500	GAMMON GOLD INC	06/18/07 11/04/09	31,825.00	23,165.81	8,659.19-	L
5,000	GAMMON GOLD INC	06/19/07 11/04/09	63,150.00	46,331.63	16,818.37-	L
30,800	GAMMON GOLD INC	06/26/07 11/04/09	387,581.04	285,402.83	102,178.21-	L
4,100	GAMMON GOLD INC	06/27/07 11/04/09	50,963.00	37,991.94	12,971.06-	L
100	GAMMON GOLD INC	06/27/07 11/04/09	1,253.00	926.63	326.37-	L
100,000			1,271,535.42	926,665.97	344,869.45-	
10,000	HEXCEL CORP	01/24/03 12/07/09	30,300.00	109,995.17	79,695.17	L

SCHEDULE OF CAPITAL GAINS AND LOSSES

Page 2

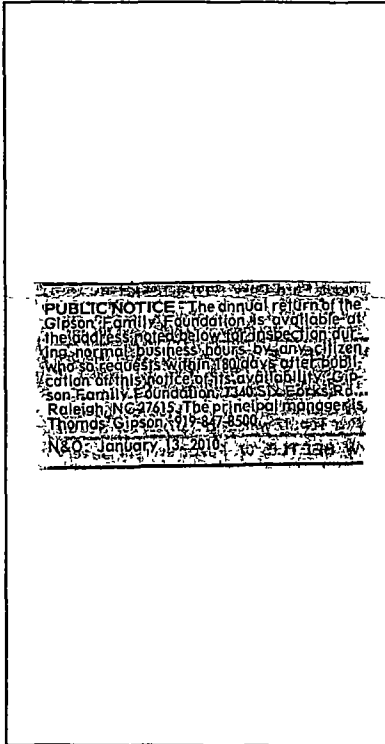
01/01/2009 - 12/31/2009

SHARES OR FACE VALUE	SECURITY NAME	PURCHASE /SALE DATE	TOTAL COST	PROCEEDS	REALIZED GAIN/LOSS	LONG SHRT
<u> </u>			<u> </u>	<u> </u>	<u> </u>	
	TOTAL SHORT TERM:		0 00	0 00	0.00	
	TOTAL LONG TERM:		3,545,851.97	1,653,953 54	1,891,898.43-	
	TOTAL:		3,545,851 97	1,653,953 54	1,891,898.43-	

THIS SCHEDULE OF CAPITAL GAINS/LOSSES HAS BEEN PREPARED BY US FOR YOUR CONVENIENCE. PLEASE CONSULT YOUR TAX ACCOUNTANT REGARDING THESE DETAILS. MARKET PRICES ARE OBTAINED FROM VARIOUS QUOTATION SOURCES WE BELIEVE TO BE RELIABLE, BUT WE CANNOT GUARANTEE THEIR ACCURACY.

AFFIDAVIT OF PUBLICATION

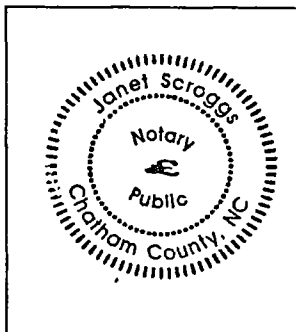
NORTH CAROLINA.
Wake County.) Ss.



Before the undersigned, a Notary Public of Chatham County North Carolina, duly commissioned and authorized to administer oaths, affirmations, etc., personally appeared Debra Peebles, who, being duly sworn or affirmed, according to law, doth depose and say that she is Accounts Receivable Specialist of The News and Observer a corporation organized and doing business under the Laws of the State of North Carolina, and publishing a newspaper known as The News and Observer, in the City of Raleigh, Wake County and State aforesaid, the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina, and that as such she makes this affidavit; that she is familiar with the books, files and business of said corporation and by reference to the files of said publication the attached advertisement for THE GIPSON FAMILY FOUNDATION was inserted in the aforesaid newspaper on dates as follows: 01/13/10

Account Number: 84785000

The above is correctly copied from the books and files of the aforesaid Corporation and publication.



Debra Peebles, Accounts Receivable Specialist
Wake County, North Carolina

Sworn or affirmed to, and subscribed before me, this
14 day of JANUARY, 2010 AD by, Debra Peebles
In Testimony Whereof, I have hereunto set my hand
and affixed my official seal, the day and year aforesaid.

Janet Scroggs, Notary Public

My commission expires 14th day of March 2014.



172-10-01-00 13010 0 C 001 30 50 002
GIPSON FAMILY FOUNDATION
7340 SIX FORKS RD
RALEIGH NC 27615-5282

Your consolidated statement

For 12/31/2009

Contact us



BBT.com



(800) BANK-BBT or
(800) 226-5228

Times are tough but saying thank you to your employees is easy!

BB&T Gift Cards are the perfect way to say thank you to your employees!

From dinner to music, shopping and buying online - BB&T Gift Cards are welcomed at millions of locations where Visa® debit cards are accepted.

Visit your local BB&T financial center and get yours today!

BB&T Gift Cards are issued by BB&T Financial, FSB, a subsidiary of BB&T Corporation, Member FDIC.

Summary of your accounts

ACCOUNT NAME	ACCOUNT NUMBER	BALANCE(\$)	DETAILS ON
BUSINESS IDA	0005199957947	27,094.31	page 1
FREE BUSINESS CHECKING	0005290170933	3,500.00	page 2
Total checking and money market savings accounts		\$30,594.31	

*ch# 1080 outstanding
less 22500
28,094.31 A-1*



Checking and money market savings accounts

■ BUSINESS IDA 0005199957947

Account summary

Your previous balance as of 11/30/2009	\$3,601.93
Checks	- 500,000.00
Other withdrawals, debits and service charges	- 851,550.00
Deposits, credits and interest	+ 1,375,042.38
Your new balance as of 12/31/2009	= \$27,094.31

Interest summary

Interest paid this statement period	\$42.38
2009 Interest paid year-to-date	\$96.84
Interest rate	0.20%
Annual percentage yield (APY) earned	0.29%
On 12/10/2009 the interest rate changed from 0.02% to 0.30%	
On 12/17/2009 the interest rate changed from 0.30% to 0.20%	

Checks

DATE	CHECK #	AMOUNT(\$)
12/17	200	500,000.00
Total checks		= \$ 500,000.00

INGALLS & SNYDER LLC
 61 Broadway New York, NY 10006-2802
 212-269-7800 800-221-2598

Established 1924
 Members

New York Stock Exchange, Inc.

STATEMENT OF ACCOUNT

Account Month End

01-28807-4 12/31/2009

Page 2 of 4

THE GIPSON FAMILY FOUNDATION

ASSET VALUE DETAILS									
DESCRIPTION	SYMBOL	VALUE 12/31/2009	VALUE 11/30/2009	ASSETS %	ESTIMATED INCOME	% YIELD	HOLDING PERIOD	TYPE	
CASH/MONEY FUNDS:									
CASH ACCOUNT BALANCE	CASH	0.29	0.12			.00		C	
JP MORGAN LIQUID ASSETS MMF C	JPCASH	56,721.00	810,726.00	0.4		.00		C	
TOTAL CASH/MONEY FUNDS:		56,721.29	810,726.12	0.4					
EQUITIES:									
QUANTITY	DESCRIPTION	SYMBOL	PRICE	MARKET VALUE	UNREALIZED, GAIN/LOSS	ASSETS %	ESTIMATED INCOME	% YIELD	HOLDING PERIOD
1,000,000	COALCORP MINING INC (NEW)	CCJ-T	.238	238,000	1,670,250	1.7		.00	LT
500,000	COASTAL ENERGY COMPANY INC	CEN-V	5.043	2,521,500	1,554,455	17.8		.00	S/L
130,000	HEXCEL CORP	HXL	12.980	1,687,400	1,288,300	11.9		.00	LT
300,000	MOSYS, INC	MOSY	3.920	1,176,000	1,687,644	8.3		.00	LT
1,000,000	OCEANA GOLD CORP	OCANF	1.656	1,656,000	1,653,422	11.7		.00	LT
50,000	PIONEER NATURAL RESOURCES CO	PXD	48.170	2,408,500	2,050,246	17.0	4,000	.17	LT
500,000	POLARIS MINERALS CORP	PLS-T	1.598	799,000	1,874,550	5.7		.00	S/L
500,000	STERLING RESOURCES LTD	SLG-V	1.874	937,000	807,200	6.6		.00	ST
50,000	STRATUS PROPERTIES INC NEW	STRS	11.000	550,000	509,978	3.9		.00	LT
100,000	WILLIAMS COMPANIES, INC	WMB	21.080	2,108,000	349,700	15.0	44,000	2.09	LT
TOTAL EQUITIES:				14,081,400	13,445,745	99.6	48,000	0.34	