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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

**2009**

**For calendar year 2009, or tax year beginning , 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
BALLARD FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) Room/suite
4506 MONCK COURT

City or town, state, and ZIP code
NEW BERN NC 28562

**A** Employer identification number
56-2025731

**B** Telephone number (see page 10 of the instructions)
252-522-1220

**C** If exemption application is pending, check here ▶ ☐

**D** 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

**H** Check type of organization ☒ 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) ▶ $ 165,223

**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 ▶ ☒ if the foundation is **not** required to attach Sch B | | | | |
| | 3 | Interest on savings and temporary cash investments | | | | |
| | 4 | Dividends and interest from securities | 5,344 | 5,344 | | |
| | 5a | Gross rents | | | | |
| | b | Net rental income or (loss) | | | | |
| | 6a | Net gain or (loss) from sale of assets not on line 10 **Stmt 1** | -27,730 | | | |
| | b | Gross sales price for all assets on line 6a 38,370 | | | | |
| | 7 | Capital gain net income (from Part IV, line 2) | | 0 | | |
| | 8 | Net short-term capital gain | | | 0 | |
| | 9 | Income modifications | | | | |
| | 10a | Gross sales less returns & allowances | | | | |
| | b | Less Cost of goods sold | | | | |
| | c | Gross profit or (loss) (attach schedule) | | | | |
| | 11 | Other income (attach schedule) **Stmt 2** | 82 | | | |
| | 12 | **Total.** Add lines 1 through 11 | -22,304 | 5,344 | 0 | |
| Operating and Administrative 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 schedule) **Stmt 3** | 550 | 550 | | |
| | c | Other professional fees (attach schedule) **Stmt 4** | 3,897 | 3,897 | | |
| | 17 | Interest | | | | |
| | 18 | Taxes (attach schedule) (see page 14 of the instructions) **Stmt 5** | 394 | 394 | | |
| | 19 | Depreciation (attach schedule) and depletion | | | | |
| | 20 | Occupancy | | | | |
| | 21 | Travel, conferences, and meetings | | | | |
| | 22 | Printing and publications | | | | |
| | 23 | Other expenses (att sch ) | | | | |
| | 24 | **Total operating and administrative expenses.** Add lines 13 through 23 | 4,841 | 4,841 | | 0 |
| | 25 | Contributions, gifts, grants paid | 10,789 | | | 10,789 |
| | 26 | **Total expenses and disbursements.** Add lines 24 and 25 | 15,630 | 4,841 | 0 | 10,789 |
| | 27 | Subtract line 26 from line 12 | | | | |
| | a | **Excess of revenue over expenses and disbursements** | -37,934 | | | |
| | b | **Net investment income** (if negative, enter -0-) | | 503 | | |
| | c | **Adjusted net income** (if negative, enter -0-) | | | 0 | |

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Form **990-PF** (2009)

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| | | **Part II** Balance Sheets | Beginning of year | End of year | |
|---|---|---|---|---|---|
| | | Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions ) | (a) Book Value | (b) Book Value | (c) Fair Market Value |
| Assets | 1 | Cash—non-interest-bearing | 1,641 | 2,516 | 2,516 |
| | 2 | Savings and temporary cash investments | | | |
| | 3 | Accounts receivable ▶<br>Less allowance for doubtful accounts ▶ | | | |
| | 4 | Pledges receivable ▶<br>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 (att schedule) ▶<br>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) See Stmt 6 | 256,190 | 217,381 | 162,707 |
| | c | Investments—corporate bonds (attach schedule) | | | |
| | 11 | Investments—land, buildings, and equipment basis ▶<br>Less accumulated depreciation (attach sch ) ▶ | | | |
| | 12 | Investments—mortgage loans | | | |
| | 13 | Investments—other (attach schedule) | | | |
| | 14 | Land, buildings, and equipment basis ▶ 2,748<br>Less accumulated depreciation (attach sch ) ▶ Stmt 7 2,748 | | | |
| | 15 | Other assets (describe ▶ ) | | | |
| | 16 | **Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I) | 257,831 | 219,897 | 165,223 |
| Liabilities | 17 | Accounts payable and accrued expenses | | | |
| | 18 | Grants payable | | | |
| | 19 | Deferred revenue | | | |
| | 20 | Loans from officers, directors, trustees, and other disqualified persons | | | |
| | 21 | Mortgages and other notes payable (attach schedule) | | | |
| | 22 | Other liabilities (describe ▶ ) | | | |
| | 23 | **Total liabilities** (add lines 17 through 22) | 0 | 0 | |
| Net Assets or Fund Balances | | **Foundations that follow SFAS 117, check here ▶** ☒<br>**and complete lines 24 through 26 and lines 30 and 31.** | | | |
| | 24 | Unrestricted | 257,831 | 219,897 | |
| | 25 | Temporarily restricted | | | |
| | 26 | Permanently restricted | | | |
| | | **Foundations that do not follow SFAS 117, check here ▶** ☐<br>**and complete lines 27 through 31.** | | | |
| | 27 | Capital stock, trust principal, or current funds | | | |
| | 28 | Paid-in or capital surplus, or land, bldg , and equipment fund | | | |
| | 29 | Retained earnings, accumulated income, endowment, or other funds | | | |
| | 30 | **Total net assets or fund balances** (see page 17 of the instructions) | 257,831 | 219,897 | |
| | 31 | **Total liabilities and net assets/fund balances** (see page 17 of the instructions) | 257,831 | 219,897 | |

## 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 | 257,831 |
| 2 | Enter amount from Part I, line 27a | 2 | -37,934 |
| 3 | Other increases not included in line 2 (itemize) ▶ | 3 | |
| 4 | Add lines 1, 2, and 3 | 4 | 219,897 |
| 5 | Decreases not included in line 2 (itemize) ▶ | 5 | |
| 6 | Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 | 6 | 219,897 |

Form 990-PF (2009) BALLARD FAMILY FOUNDATION 56-2025731

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

| | (a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co ) | (b) How acquired P—Purchase D—Donation | (c) Date acquired (mo , day, yr ) | (d) Date sold (mo , day, yr ) |
|---|---|---|---|---|
| 1a | N/A | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

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

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

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

| | | | |
|---|---|---|---|
| 2 Capital gain net income or (net capital loss) | If gain, also enter in Part I, line 7<br>If (loss), enter -0- in Part I, line 7 | 2 | |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)<br>If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions)<br>If (loss), enter -0- in Part I, line 8 | | 3 | |

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

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

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

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

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

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

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col (b) divided by col (c)) |
|---|---|---|---|
| 2008 | | | |
| 2007 | | | |
| 2006 | | | |
| 2005 | | | |
| 2004 | | | |

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

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

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

| | | | | | |
|---|---|---|---|---|---|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1<br>Date of ruling or determination letter **(attach copy of letter if necessary—see instructions)** | | | | |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b | | | 1 | 10 |
| c | All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b) | | | | |
| 2 | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | | | 2 | 0 |
| 3 | Add lines 1 and 2 | | | 3 | 10 |
| 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 | 10 |
| 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 ☐ 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 |
| 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 ▶** Refunded ▶ | | | 11 | |

## Part VII-A Statements Regarding Activities

| | | | Yes | No |
|---|---|---|---|---|
| 1a | During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | 1a | | X |
| b | Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? | 1b | | X |
| | If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities | | | |
| c | Did the foundation file **Form 1120-POL** for this year? | 1c | | X |
| d | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year<br>**(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______ | | | |
| e | Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______ | | | |
| 2 | Has the foundation engaged in any activities that have not previously been reported to the IRS?<br>If "Yes," attach a detailed description of the activities | 2 | | X |
| 3 | Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes | 3 | | X |
| 4a | Did the foundation have unrelated business gross income of $1,000 or more during the year? | 4a | | X |
| b | If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A | 4b | | |
| 5 | Was there a liquidation, termination, dissolution, or substantial contraction during the year?<br>If "Yes," attach the statement required by General Instruction T | 5 | | X |
| 6 | Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either<br>● By language in the governing instrument, or<br>● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 6 | X | |
| 7 | Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV | 7 | X | |
| 8a | Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ None | | | |
| b | If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation | 8b | X | |
| 9 | Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV | 9 | | X |
| 10 | Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses | 10 | | X |

## Part VII-A 'Statements Regarding Activities (continued)

| | | | Yes | No |
|---|---|---|---|---|
| 11 | At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) | 11 | | X |
| 12 | Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? | 12 | | X |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? | 13 | X | |

Website address ▶ N/A

14 The books are in care of ▶ MAG MUTUAL HSI Telephone no ▶ 252-522-1220

PO BOX 1004

Located at ▶ KINSTON, NC ZIP+4 ▶ 28503

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

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

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

| | | | | Yes | No |
|---|---|---|---|---|---|
| 1a | During the year did the foundation (either directly or indirectly) | | | | |
| | (1) Engage in the sale or exchange, or leasing of property with a disqualified person? | ☐ Yes ☒ No | | | |
| | (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? | ☐ Yes ☒ No | | | |
| | (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? | ☐ Yes ☒ No | | | |
| | (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? | ☐ Yes ☒ No | | | |
| | (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? | ☐ Yes ☒ No | | | |
| | (6) Agree to pay money or property to a government official? **(Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days ) | ☐ Yes ☒ No | | | |
| b | If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? | N/A | 1b | | |
| | Organizations relying on a current notice regarding disaster assistance check here | ▶ ☐ | | | |
| c | Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009? | N/A | 1c | | |
| 2 | Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)) | | | | |
| a | At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? | ☐ Yes ☒ No | | | |
| | If "Yes," list the years ▶ 20 , 20 , 20 , 20 | | | | |
| b | Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions ) | N/A | 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 ▶ 20 , 20 , 20 , 20 | | | | |
| 3a | Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? | ☐ Yes ☒ No | | | |
| b | If "Yes," did it have excess business holdings in 2009 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009 ) | N/A | 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 |

## 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)? N/A 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? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 6b X

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? N/A 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 |
|---|---|---|---|---|---|
| HARRY BALLARD<br>4506 MONCK COURT | NEW BERN<br>NC 28562 | PRES/TREAS<br>0.00 | 0 | 0 | 0 |
| DOLLY BALLARD<br>4506 MONCK COURT | NEW BERN<br>NC 28562 | SECRETARY<br>0.00 | 0 | 0 | 0 |
| | | | | | |
| | | | | | |

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

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

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

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

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

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

Total number of others receiving over $50,000 for professional services ▶

## 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 CONTRIBUTIONS TO VARIOUS CHARITIES | 10,789 |
| 2 | |
| 3 | |
| 4 | |

## Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|---|---|
| 1 N/A | |
| 2 | |
| All other program-related investments See page 24 of the instructions<br>3 | |
| Total. Add lines 1 through 3 ▶ | |

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

| | | | | | |
|---|---|---|---|---|---|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes | | | | |
| a | Average monthly fair market value of securities | | | 1a | 148,759 |
| b | Average of monthly cash balances | | | 1b | 2,186 |
| c | Fair market value of all other assets (see page 24 of the instructions) | | | 1c | 0 |
| d | **Total** (add lines 1a, b, and c) | | | 1d | 150,945 |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) | 1e | 0 | | |
| 2 | Acquisition indebtedness applicable to line 1 assets | | | 2 | 0 |
| 3 | Subtract line 2 from line 1d | | | 3 | 150,945 |
| 4 | Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions) | | | 4 | 2,264 |
| 5 | **Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4 | | | 5 | 148,681 |
| 6 | **Minimum investment return.** Enter 5% of line 5 | | | 6 | 7,434 |

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

| | | | | | |
|---|---|---|---|---|---|
| 1 | Minimum investment return from Part X, line 6 | | | 1 | 7,434 |
| 2a | Tax on investment income for 2009 from Part VI, line 5 | 2a | 10 | | |
| b | Income tax for 2009 (This does not include the tax from Part VI ) | 2b | | | |
| c | Add lines 2a and 2b | | | 2c | 10 |
| 3 | Distributable amount before adjustments Subtract line 2c from line 1 | | | 3 | 7,424 |
| 4 | Recoveries of amounts treated as qualifying distributions | | | 4 | |
| 5 | Add lines 3 and 4 | | | 5 | 7,424 |
| 6 | Deduction from distributable amount (see page 25 of the instructions) | | | 6 | |
| 7 | **Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1 | | | 7 | 7,424 |

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

| | | | |
|---|---|---|---|
| 1 | Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes | | |
| a | Expenses, contributions, gifts, etc —total from Part I, column (d), line 26 | 1a | 10,789 |
| 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 | 10,789 |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions) | 5 | 0 |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 10,789 |

**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 |
|---|---|---|---|---|---|
| 1 | Distributable amount for 2009 from Part XI, line 7 | | | | 7,424 |
| 2 | Undistributed income, if any, as of the end of 2009 | | | | |
| a | Enter amount for 2008 only | | | 10,789 | |
| b | Total for prior years 20____ , 20____ , 20____ | | | | |
| 3 | Excess distributions carryover, if any, to 2009 | | | | |
| a | From 2004 | | | | |
| b | From 2005 | | | | |
| c | From 2006 | | | | |
| d | From 2007 | | | | |
| e | From 2008 | | | | |
| f | **Total** of lines 3a through e | | | | |
| 4 | Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 10,789 | | | | |
| a | Applied to 2008, but not more than line 2a | | | 10,789 | |
| b | Applied to undistributed income of prior years (Election required—see page 26 of the instructions) | | | | |
| c | Treated as distributions out of corpus (Election required—see page 26 of the instructions) | | | | |
| d | Applied to 2009 distributable amount | | | | |
| e | Remaining amount distributed out of corpus | | | | |
| 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 | | | | |
| b | Prior years' undistributed income Subtract line 4b from line 2b | | | | |
| c | Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed | | | | |
| d | Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions | | | | |
| e | Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions | | | | |
| f | Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010 | | | | 7,424 |
| 7 | Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) | | | | |
| 8 | Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) | | | | |
| 9 | **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a | | | | |
| 10 | Analysis of line 9 | | | | |
| a | Excess from 2005 | | | | |
| b | Excess from 2006 | | | | |
| c | Excess from 2007 | | | | |
| d | Excess from 2008 | | | | |
| e | Excess from 2009 | | | | |

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

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

| | Tax year | Prior 3 years | | | |
|---|---|---|---|---|---|
| | (a) 2009 | (b) 2008 | (c) 2007 | (d) 2006 | (e) Total |
| 2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | | | | | |
| b 85% of line 2a | | | | | |
| c Qualifying distributions from Part XII, line 4 for each year listed | | | | | |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | | | | | |
| e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c | | | | | |
| 3 Complete 3a, b, or c for the alternative test relied upon<br>a "Assets" alternative test—enter<br>(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<br>(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) )

HARRY AND DOLLY BALLARD, 4506 MONCK COURT NEW BERN

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

N/A

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

See Statement 8

c Any submission deadlines

NONE

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

NONE

Form 990-PF (2009) **BALLARD FAMILY FOUNDATION** 56-2025731

**Part XV Supplementary Information** (continued)

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

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| a Paid during the year | | | | |
| WEST VA UNIVERSITY FD<br>PO BOX 1650<br>MORGANTOWN WV 26507-1650 | | | EDUCATIONAL | 1,500 |
| PHILLIPS EXETER ACADEMY<br>20 MAIN STREET<br>EXETER NH 03833-2460 | | | EDUCATIONAL | 750 |
| HABITAT FOR HUMANITY<br>PO BOX 1231<br>NEW BERN NC 28563 | | | COMMUNITY | 200 |
| COASTAL WOMEN'S SHELTER<br>1333 S. GLENBURNIE ROAD<br>NEW BERN NC 28562 | | | COMMUNITY | 200 |
| CRAVEN REGIONAL MED CTR F<br>PO BOX 1576<br>NEW BERN NC 28563 | | | EDUCATIONAL | 1,500 |
| UNIVERSITY OF NORTH CAROL<br>CAMPUS BOX 6100<br>CHAPEL HILL NC 27599-6100 | | | EDUCATIONAL | 2,000 |
| CHRIST EPISCOPAL CHURCH<br>PO BOX 1246<br>NEW BERN NC 28560 | | | RELIGIOUS | 3,000 |
| FIRST PRESBYTERIAN CHURCH<br>418 NEW STREET<br>NEW BERN NC 28560 | | | RELIGIOUS | 1,000 |
| USO<br>BOX 96860<br>WASHINGTON DC 20077-7677 | | | COMMUNITY | 639 |
| Total | | | ▶ 3a | 10,789 |
| b Approved for future payment<br>N/A | | | | |
| Total | | | ▶ 3b | |

DAA

## Part XVI-A Analysis of Income-Producing Activities

| Enter gross amounts unless otherwise indicated | Unrelated business income | | Excluded by section 512, 513, or 514 | | (e) Related or exempt function income (See page 28 of the instructions ) |
|---|---|---|---|---|---|
| | (a) Business code | (b) Amount | (c) Exclusion code | (d) Amount | |
| 1 Program service revenue | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| f | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments | | | | | |
| 3 Interest on savings and temporary cash investments | | | | | |
| 4 Dividends and interest from securities | | | | | 5,344 |
| 5 Net rental income or (loss) from real estate | | | | | |
| a Debt-financed property | | | | | |
| b Not debt-financed property | | | | | |
| 6 Net rental income or (loss) from personal property | | | | | |
| 7 Other investment income | | | | | |
| 8 Gain or (loss) from sales of assets other than inventory | | | | | -27,730 |
| 9 Net income or (loss) from special events | | | | | |
| 10 Gross profit or (loss) from sales of inventory | | | | | |
| 11 Other revenue a | | | | | |
| b CASH IN LIEU OF FRACTIONAL SH | | | | | 82 |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 12 Subtotal Add columns (b), (d), and (e) | | 0 | | 0 | -22,304 |

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -22,304

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

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

| Line No. ▼ | Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions ) |
|---|---|
| 4 | INCREASES FUNDS AVAILABLE FOR CONTRIBUTIONS |
| 8 | SALE OF STOCK INCREASES FUNDS AVAILABLE FOR CONTRIBUTIONS |

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

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

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

| **(a)** Line no | **(b)** Amount involved | **(c)** Name of noncharitable exempt organization | **(d)** Description of transfers, transactions, and sharing arrangements |
|---|---|---|---|
| N/A | | | |
| | | | |
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| | | | |

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

b If "Yes," complete the following schedule

| **(a)** Name of organization | **(b)** Type of organization | **(c)** Description of relationship |
|---|---|---|
| N/A | | |
| | | |
| | | |
| | | |
| | | |

**Sign Here**

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

▶ ✓ HH Ballard — Signature of officer or trustee

✓5/13/10 — Date

▶ ✓ Pres. — Title

**Paid Preparer's Use Only**

| | | | |
|---|---|---|---|
| Preparer's signature ▶ Brenda R. Spera, CPA | Date 05/06/10 | Check if self-employed ▶ ☐ | Preparer's identifying number (see **Signature** on page 30 of the instructions) P00963107 |
| Firm's name (or yours if self-employed), address, and ZIP code ▶ Mag Mutual HealthCare Solutions, Inc.<br>2511 N. Queen St.<br>Kinston, NC 28501 | | EIN ▶ 58-2244533<br>Phone no 252-522-1220 | |

## Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

| Description |  |  | How Received |  |  |  |  |
|---|---|---|---|---|---|---|---|
| Whom Sold | Date Acquired | Date Sold | Sale Price | Cost | Expense | Depreciation | Net Gain / Loss |
| UBS SHORT TERM GAINS |  |  | Purchase |  |  |  |  |
|  | Various | Various | $ 3,511 | $ 3,331 | $ | $ | $ 180 |
| UBS LONG TERM LOSSES |  |  | Purchase |  |  |  |  |
|  | Various | Various | 34,859 | 62,769 |  |  | -27,910 |
| Total |  |  | $ 38,370 | $ 66,100 | $ 0 | $ 0 | $ -27,730 |

## Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

| Description | Revenue per Books | Net Investment Income | Adjusted Net Income |
|---|---|---|---|
| CASH IN LIEU OF FRACTIONAL SH | $ 82 | $ | $ |
| Total | $ 82 | $ 0 | $ 0 |

## Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

| Description | Total | Net Investment | Adjusted Net | Charitable Purpose |
|---|---|---|---|---|
| TAX RETURN PREPARATION | $ 550 | $ 550 | $ | $ |
| Total | $ 550 | $ 550 | $ 0 | $ 0 |

## Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

| Description | Total | Net Investment | Adjusted Net | Charitable Purpose |
|---|---|---|---|---|
| PAINEWEBBER ADVISORY FEES | $ 3,897 | $ 3,897 | $ | $ |
| Total | $ 3,897 | $ 3,897 | $ 0 | $ 0 |

## Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

| Description | Total | Net Investment | Adjusted Net | Charitable Purpose |
|---|---|---|---|---|
| FOREIGN TAXES WITHHELD | $ 394 | $ 394 | $ | $ |
| Total | $ 394 | $ 394 | $ 0 | $ 0 |

## Form 990-PF, Part I, Line 23 - Amortization

| Description |  |  |  |  |  |  |  |  |
|---|---|---|---|---|---|---|---|---|
|  | Date Acquired | Cost Basis | Prior Year Amortization | Life | Current Year Amortization | Net Investment Income | Adjusted Net Income | COGS |
| ORGANIZATIONAL COSTS |  |  |  |  |  |  |  |  |
|  | 5/01/97 | $ 2,748 | $ 2,748 | 5 | $ | $ | $ |  |
| Total |  | $ 2,748 | $ 2,748 |  | $ 0 | $ 0 | $ 0 |  |

## Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

| Description | Beginning of Year | End of Year | Basis of Valuation | Fair Market Value |
|---|---|---|---|---|
| UBS FINANCIAL SERVICE-VARIOUS STOCKS | $ 256,190 | $ 217,381 | | $ 162,707 |
| Total | $ 256,190 | $ 217,381 | | $ 162,707 |

## Statement 7 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

| Description | Beginning Net Book | End Cost / Basis | End Accumulated Depreciation | Net FMV |
|---|---|---|---|---|
|  | $ | $ 2,748 | $ 2,748 | $ |
| Total | $ 0 | $ 2,748 | $ 2,748 | $ 0 |

## Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

| Name of Manager | Amount |
|---|---|
| HARRY AND DOLLY BALLARD, 4506 MONCK COURT NEW BERN | $ |
| Total | $ 0 |

## Statement 8 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

WRITTEN REQUEST SUBMITTED TO HARRY BALLARD, 4506 MONCK COURT, NEW BERN, NC 28562

## Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

NONE

## Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

NONE

# Affidavit of Publication

# SUN-JOURNAL

## New Bern, N.C.

**Personally appeared before me, a Notary Public of the County of Craven, State of North Carolina.**

**on this the** 30 **day of** April **20**10

Karen Gardner

**of the Sun Journal, being duly sworn, states that the notice entitled**

Annual Report of the Ballard Family Foundation

**a true copy of which is attached hereto, appeared in the Sun Journal, a newspaper published in the City of New Bern, County of Craven, State of North Carolina,**

once **a week for**

1 **weeks, on the following dates:**

Saturday, April 17, **20**10

**200**

**200**

**200**

**200**

**200**

**200**

**200**

**200**

**The New Bern Sun Journal**

**Subscribed and sworn to this** 30th **day of** April **20**10

Sheila D. Meadows

**Notary Public**

## Public Notice

The annual report of the Ballard Family Foundation is available, at the address noted below, for inspection during normal business hours, by any citizen who so requests within 180 days after publication of this notice of its availability.

**Ballard Family Foundation**
c/o Michael E. DeFrank, Esq.
Taft, Stettinius & Hollister
1800 Star Bank Center • 425 Walnut St.,
Cincinnati, OH 45202-3951
The principal manager is Harry H. Ballard, General manager

SHEILA D. MEADOWS
MY COMM. EXPIRES
AUG. 19 2011
JONES COUNTY, NC
NOTARY PUBLIC

UBS

UBS Financial Services Inc.
312 WALNUT STREET
SUITE 3300
CINCINNATI OH 45202-4045

CPZ2000429835 1209 CE 2

# ACCESS

December 2009

**Duplicate statement for the account of:**
THE BALLARD FAMILY FOUNDATION
4603 WEST FAIRWAY DRIVE
NEW BERN NC 28562-7535
Account number CE 46840 4B

00009277 03 AT 0.882 03 TR 00131 B201F014 000000 cpl
RICHARD PILSON
PO BOX 1004
2511 N QUEEN STREET
KINSTON NC 28503-1004

## Your investment objectives:

You have identified the following investment objectives for this account If you have questions about these objectives, disagree with them, or wish to change them, please contact your Financial Advisor or Branch Manager You can find a full description of the alternative investment objectives in *Important information about your statement* at the end of this document

**Your return objective:**
Capital appreciation
**Your risk profile:**
Primary - Moderate
Secondary - Aggressive/Speculative

# Value of your account

| | on November 30 ($) | on December 31 ($) |
|---|---|---|
| Your assets | 174,103 12 | 165,222 61 |
| Your liabilities | 0 00 | 0 00 |
| **Value of your account** | **$174,103.12** | **$165,222.61** |

**Your account instructions**
- Your ACCESS account is managed by BRANDES GLOBAL
- Statement copies are sent to 1 interested party

# Change in the value of your account

| | December 2009 ($) | Year to date ($) |
|---|---|---|
| **Opening account value** | **$174,103.12** | **$147,147.37** |
| Deposits, including securities transferred in | 0 00 | 3,300 00 |
| Withdrawals and fees, including securities transferred out | -10,821.49 | -15,080 13 |
| Dividend and interest income | 454.92 | 5,320 64 |
| Change in market value | 1,486 06 | 24,534.73 |
| **Closing account value** | **$165,222.61** | **$165,222.61** |

# Cash activity summary

See the section *Account activity this month* for details UBS Bank USA deposit account balances are included in the *opening and closing balances* value, are insured by the FDIC within applicable limits, but are not protected by SIPC See *Important information about your statement* at the end of this document for details about those balances

| | December 2009 ($) | Year to date ($) |
|---|---|---|
| **Opening balances** | **$2,758.14** | **$1,640.89** |
| *Additions* | | |
| Deposits and other funds credited | 0 00 | 3,300 00 |
| Dividend and interest income | 454 92 | 5,320 64 |
| Proceeds from security transactions | 10,124 28 | 31,035 63 |
| *Total additions* | **$10,579.20** | **$39,656.27** |
| *Subtractions* | | |
| Professional management fees and related services | 0 00 | -3,843 44 |
| Other fees | -14 10 | -53 49 |
| Other funds debited | -10,807 39 | -11,183 20 |
| Funds withdrawn for securities bought | 0 00 | -23,701 18 |
| *Total subtractions* | **-$10,821.49** | **-$38,781.31** |
| **Net cash flow** | **-$242.29** | **$874.96** |
| **Closing balances** | **$2,515.85** | **$2,515.85** |

# Dividend and interest income earned

For purposes of this statement, taxability of interest and dividend income has been determined from a US tax reporting perspective Based upon the residence of the account holder, account type, or product type, some interest and/or dividend payments may not be subject to United States (US) and/or Puerto Rico (PR) income taxes The client monthly statement is not intended to be used and cannot be relied upon for tax purposes Clients should refer to the applicable tax reporting forms they receive from UBS annually, such as the Forms 1099 and the Forms 480, for tax reporting information It is the practice of UBS to file the applicable tax reporting forms with the US Internal Revenue Service and PR Treasury Department, and in such forms accurately classify dividends and/or interest as tax exempt or taxable income Please consult your individual tax preparer

| | December 2009 ($) | Year to date ($) |
|---|---|---|
| Taxable dividends | 454 92 | 5,320 23 |
| **Total current year** | **$454.92** | **$5,320.23** |
| Prior year adjustment | 0 00 | 0 41 |
| **Total dividend & interest** | **$454.92** | **$5,320.64** |

# Summary of gains and losses

Values reported below exclude products for which gains and losses are not classified

| | Realized gains and losses | | Unrealized |
|---|---|---|---|
| | December 2009 ($) | Year to date ($) | gains and losses ($) |
| Short term | -0 50 | 179 62 | 5,347 09 |
| Long term | -257 98 | -27,910 50 | -61,851 67 |
| **Total** | **-$258.48** | **-$27,730.88** | **-$56,504.58** |

# Withholdings and tax summary

| | December 2009 ($) | Year to date ($) |
|---|---|---|
| Foreign taxes paid | -18 39 | -394 20 |

# Your assets

Some prices, income and current values shown may be approximate As a result, gains and losses may not be accurately reflected See *Important information about your statement* at the end of this document for more information

## Cash

### Cash and money balances

| Holding | Opening balance on Dec 1 ($) | Closing balance on Dec 31 ($) | Price per share on Dec 31 ($) | Average rate | Dividend/Interest period | Days in period |
|---|---|---|---|---|---|---|
| RMA MONEY MKT PORTFOLIO | 2,758 14 | 2,515 85 | 1.00 | 0 01% | Nov 23 to Dec 23 | 31 |

## Equities

### Common stock

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| AEGON NV ADR N Y SHS | | | | | | | | |
| NETHERLANDS ADR | | | | | | | | |
| Symbol AEG Exchange NYSE | Jun 5, 08 | 245 000 | 15 027 | 3,681 79 | 6 410 | 1,570 45 | -2,111 34 | LT |
| | Earnings | 9 000 | 11 598 | 104 39 | 6 410 | 57 69 | -46 70 | |
| Security total | | 254 000 | | 3,786 18 | | 1,628 14 | -2,158 04 | |
| AKZO NOBEL NV ADR | | | | | | | | |
| Symbol AKZOY Exchange· OTC | | | | | | | | |
| EAI $107 Current yield 2 92% | Mar 24, 04 | 25 000 | 35 411 | 885 28 | 66 572 | 1,664 30 | 779 02 | LT |
| | Sep 5, 08 | 30 000 | 58 804 | 1,764.13 | 66 572 | 1,997.16 | 233 03 | LT |
| Security total | | 55 000 | | 2,649 41 | | 3,661 46 | 1,012 05 | |
| ALCATEL-LUCENT SPON ADR | | | | | | | | |
| Symbol ALU Exchange NYSE | Mar 13, 01 | 100 000 | 36 580 | 3,658 07 | 3.320 | 332 00 | -3,326 07 | LT |
| | Apr 9, 01 | 15 000 | 28 827 | 432 41 | 3 320 | 49 80 | -382 61 | LT |
| | Oct 30, 01 | 175 000 | 14 251 | 2,494 01 | 3 320 | 581 00 | -1,913 01 | LT |
| | Feb 26, 02 | 40 000 | 13 796 | 551 87 | 3 320 | 132 80 | -419 07 | LT |
| | Dec 7, 05 | 350.000 | 14 402 | 5,040 72 | 3 320 | 1,162 00 | -3,878 72 | LT |
| | Mar 22, 06 | 103 000 | 14 173 | 1,459 83 | 3 320 | 341 96 | -1,117 87 | LT |
| Security total | | 783 000 | | 13,636 91 | | 2,599 56 | -11,037 35 | |

*continued next page*

## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| AMER EXPRESS CO | | | | | | | | |
| Symbol AXP Exchange NYSE | | | | | | | | |
| EAI $29 Current yield 1 79% | Mar 13, 09 | 40 000 | 11 984 | 479 38 | 40 520 | 1,620 80 | 1,141 42 | ST |
| ASTRAZENECA PLC SPON ADR | | | | | | | | |
| Symbol AZN Exchange NYSE | | | | | | | | |
| EAI $178 Current yield 4 46% | May 24, 07 | 35 000 | 53 603 | 1,876 13 | 46 940 | 1,642 90 | -233 23 | LT |
| | Jul 6, 07 | 50 000 | 54 138 | 2,706 92 | 46 940 | 2,347 00 | -359 92 | LT |
| Security total | | 85 000 | | 4,583 05 | | 3,989 90 | -593 15 | |
| AT&T INC | | | | | | | | |
| Symbol T Exchange NYSE | | | | | | | | |
| EAI $222 Current yield 6 00% | Oct 9, 03 | 19 000 | 18 469 | 350.92 | 28 030 | 532 57 | 181 65 | LT |
| | Jul 22, 05 | 53 000 | 19 947 | 1,057 23 | 28 030 | 1,485 59 | 428 36 | LT |
| | Sep 17, 08 | 60 000 | 28 869 | 1,732 16 | 28 030 | 1,681 80 | -50 36 | LT |
| Security total | | 132 000 | | 3,140 31 | | 3,699 96 | 559 65 | |
| BANK OF AMER CORP | | | | | | | | |
| Symbol BAC Exchange NYSE | | | | | | | | |
| EAI $7 Current yield 0 28% | Aug 1, 07 | 14 000 | 148 819 | 2,083 47 | 15 060 | 210 84 | -1,872 63 | LT |
| | Jul 3, 08 | 150 000 | 22 315 | 3,347 27 | 15 060 | 2,259 00 | -1,088.27 | LT |
| Security total | | 164 000 | | 5,430 74 | | 2,469 84 | -2,960 90 | |
| BOSTON SCIENTIFIC CORP | | | | | | | | |
| Symbol BSX Exchange NYSE | Sep 22, 06 | 100 000 | 14 767 | 1,476 74 | 9 000 | 900 00 | -576 74 | LT |
| | Apr 23, 07 | 150 000 | 15 918 | 2,387 72 | 9 000 | 1,350 00 | -1,037 72 | LT |
| Security total | | 250 000 | | 3,864 46 | | 2,250 00 | -1,614 46 | |
| BRASIL TELECOM SA REPSTG PFD | | | | | | | | |
| SHS SPON ADR | | | | | | | | |
| Symbol BTM Exchange NYSE | Nov 24, 09 | 57 000 | 31 315 | 1,784 95 | 29 130 | 1,660 41 | -124 54 | ST |
| | Nov 24, 09 | 12 000 | 31 380 | 376 56 | 29 130 | 349 56 | -27 00 * | ST |
| Security total | | 69 000 | | 2,161 51 | | 2,009 97 | -151 54 | |
| BRASIL TELECOM S A SPON ADR | | | | | | | | |
| Symbol BTMC Exchange NYSE | Nov 24, 09 | 32 000 | 16 725 | 535 20 | 15 990 | 511.68 | -23 52 | ST |
| | Nov 24, 09 | 6 000 | 16 251 | 97 51 | 15 990 | 95 94 | -1 57 * | ST |
| Security total | | 38 000 | | 632 71 | | 607 62 | -25 09 | |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| BRISTOL MYERS SQUIBB CO<br>Symbol BMY Exchange NYSE<br>EAI $109 Current yield 5 08% | May 21, 02 | 25 000 | 30 219 | 755 48 | 25 250 | 631 25 | -124 23 | LT |
| | Feb 14, 05 | 60 000 | 24 118 | 1,447 10 | 25 250 | 1,515 00 | 67 90 | LT |
| Security total | | 85 000 | | 2,202.58 | | 2,146 25 | -56 33 | |
| CANON INC ADR JAPAN SPON ADR<br>Symbol CAJ Exchange NYSE<br>EAI $64 Current yield 2 52% | Mar 19, 09 | 60 000 | 28 296 | 1,697 77 | 42 320 | 2,539 20 | 841 43 | ST |
| CENTRAIS ELETRICAS BRAS SA<br>SPON ADR REP 50 COM<br>(ELETROBRAS)<br>Symbol EBR Exchange NYSE | Sep 3, 99 | 90 000 | 8 720 | 784 82 | 21 090 | 1,898.10 | 1,113 28 | LT |
| CISCO SYSTEMS INC<br>Symbol CSCO Exchange OTC | Dec 22, 08 | 30.000 | 16 427 | 492 83 | 23 940 | 718 20 | 225 37 | LT |
| | Jan 21, 09 | 70 000 | 15 273 | 1,069.11 | 23.940 | 1,675 80 | 606 69 | ST |
| Security total | | 100 000 | | 1,561 94 | | 2,394 00 | 832 06 | |
| CITIGROUP INC<br>Symbol C Exchange NYSE | May 11, 09 | 36 000 | 3 060 | 110 18 | 3 310 | 119 16 | 8 98 | ST |
| | Jun 9, 09 | 329 000 | 2 916 | 959 60 | 3 310 | 1,088 99 | 129 39 | ST |
| Security total | | 365 000 | | 1,069 78 | | 1,208 15 | 138.37 | |
| CONTAX PARTICIPACOES SA SPON<br>ADR<br>Symbol CTXNY Exchange OTC<br>EAI $3 Current yield· 2 62% | Sep 6, 05 | 40 000 | 0 600 | 24 00 | 2 868 | 114.72 | 90 72 | LT |
| DELL INC<br>Symbol DELL Exchange OTC | Sep 13, 06 | 30 000 | 21 717 | 651 53 | 14 360 | 430 80 | -220 73 | LT |
| | Sep 22, 06 | 75 000 | 21 240 | 1,593 05 | 14 360 | 1,077 00 | -516 05 | LT |
| | Sep 11, 08 | 60 000 | 19 000 | 1,140 00 | 14 360 | 861 60 | -278 40 | LT |
| | Sep 29, 08 | 60.000 | 16 371 | 982 31 | 14 360 | 861 60 | -120 71 | LT |
| Security total | | 225 000 | | 4,366 89 | | 3,231 00 | -1,135 89 | |
| DEUTSCHE TELEKOM AG DE SPON<br>ADR<br>Symbol DT Exchange NYSE<br>EAI $332 Current yield 7.06% | May 21, 01 | 45 000 | 22 592 | 1,016 64 | 14 700 | 661 50 | -355 14 | LT |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| | Oct 30, 01 | 30 000 | 15 876 | 476 30 | 14 700 | 441 00 | -35 30 | LT |
| | Jan 31, 07 | 210 000 | 17 503 | 3,675.82 | 14 700 | 3,087 00 | -588 82 | LT |
| | Oct 1, 09 | 35 000 | 13 487 | 472 08 | 14 700 | 514 50 | 42 42 | ST |
| Security total | | 320 000 | | 5,640 84 | | 4,704 00 | -936 84 | |
| DOW CHEMICAL<br>Symbol DOW Exchange NYSE<br>EAI $57 Current yield 2 17% | Nov 22, 06 | 25 000 | 39 885 | 997 14 | 27 630 | 690 75 | -306 39 | LT |
| | Jan 10, 07 | 45 000 | 39 381 | 1,772 17 | 27 630 | 1,243 35 | -528 82 | LT |
| | Nov 19, 08 | 25 000 | 20 309 | 507 74 | 27 630 | 690 75 | 183 01 | LT |
| Security total | | 95 000 | | 3,277 05 | | 2,624 85 | -652 20 | |
| DU PONT DE NEMOURS<br>Symbol DD Exchange NYSE<br>EAI $41 Current yield 4 87% | Apr 14, 09 | 25 000 | 26 630 | 665 77 | 33 670 | 841 75 | 175 98 | ST |
| EBAY INC<br>Symbol EBAY Exchange OTC | Jan 15, 09 | 80 000 | 13 059 | 1,044 78 | 23 530 | 1,882 40 | 837 62 | ST |
| ENI SPA IT SPON ADR<br>Symbol E Exchange NYSE<br>EAI $131 Current yield 4 71% | Jun 26, 09 | 20 000 | 47 489 | 949 78 | 50 610 | 1,012 20 | 62 42 | ST |
| | Jul 10, 09 | 20 000 | 44 106 | 882 14 | 50 610 | 1,012 20 | 130 06 | ST |
| | Aug 12, 09 | 15 000 | 45 507 | 682 62 | 50 610 | 759 15 | 76 53 | ST |
| Security total | | 55 000 | | 2,514 54 | | 2,783 55 | 269 01 | |
| FIFTH THIRD BANCORP<br>Symbol FITB Exchange OTC<br>EAI $6 Current yield 0 41% | Feb 9, 07 | 150 000 | 40 470 | 6,070 59 | 9 750 | 1,462.50 | -4,608 09 | LT |
| FRANCE TELECOM SA SPON ADR<br>Symbol FTE Exchange NYSE<br>EAI. $236 Current yield 6 58% | Jun 14, 04 | 140 000 | 24 523 | 3,433 32 | 25 240 | 3,533 60 | 100 28 | LT |
| | Earnings | 2 000 | 22 420 | 44 84 | 25 240 | 50 48 | 5 64 | |
| Security total | | 142 000 | | 3,478 16 | | 3,584 08 | 105 92 | |
| FUJI FILM HOLDINGS CORP ADR<br>Symbol FUJIY Exchange OTC<br>EAI $17 Current yield 0 71% | Sep 10, 08 | 80 000 | 28 896 | 2,311 71 | 29 969 | 2,397 52 | 85 81 | LT |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| GLAXO SMITHKLINE PLC ADR | | | | | | | | |
| Symbol GSK Exchange NYSE | | | | | | | | |
| EAI $130 Current yield 4 40% | Jan 26, 07 | 40 000 | 54 479 | 2,179 19 | 42 250 | 1,690 00 | -489 19 | LT |
| | Jul 11, 07 | 30 000 | 51 846 | 1,555 41 | 42 250 | 1,267 50 | -287 91 | LT |
| Security total | | 70 000 | | 3,734 60 | | 2,957 50 | -777 10 | |
| HITACHI LTD ADR NEW JAPAN | | | | | | | | |
| Symbol HIT Exchange NYSE | Aug 13, 98 | 5.000 | 56 960 | 284 80 | 30 680 | 153 40 | -131 40 | LT |
| | Feb 4, 04 | 30 000 | 62 330 | 1,869 92 | 30 680 | 920 40 | -949 52 | LT |
| Security total | | 35 000 | | 2,154 72 | | 1,073 80 | -1,080 92 | |
| HOME DEPOT INC | | | | | | | | |
| Symbol HD Exchange NYSE | | | | | | | | |
| EAI $68 Current yield 3 13% | Nov 15, 07 | 15 000 | 29 134 | 437 01 | 28 930 | 433 95 | -3.06 | LT |
| | Jan 3, 08 | 60 000 | 26 087 | 1,565 24 | 28 930 | 1,735 80 | 170 56 | LT |
| Security total | | 75 000 | | 2,002 25 | | 2,169 75 | 167 50 | |
| INTEL CORP | | | | | | | | |
| Symbol INTC Exchange OTC | | | | | | | | |
| EAI $112 Current yield 2 75% | Jun 8, 06 | 140 000 | 17.205 | 2,408 78 | 20.400 | 2,856 00 | 447 22 | LT |
| | Oct 21, 08 | 60.000 | 15 532 | 931 95 | 20.400 | 1,224.00 | 292.05 | LT |
| Security total | | 200 000 | | 3,340 73 | | 4,080 00 | 739 27 | |
| INTESA SANPAOLO SPON ADR | | | | | | | | |
| Symbol ISNPY Exchange OTC | May 5, 09 | 100 000 | 20 021 | 2,002 11 | 27 117 | 2,711 70 | 709.59 | ST |
| J SAINSBURY PLC SPON ADR | | | | | | | | |
| Symbol JSAIY Exchange OTC | | | | | | | | |
| EAI $54 Current yield 4 31% | Sep 5, 08 | 60 000 | 23 963 | 1,437 82 | 20 896 | 1,253 76 | -184 06 | LT |
| KEYCORP NEW | | | | | | | | |
| Symbol KEY Exchange NYSE | | | | | | | | |
| EAI $5 Current yield 0.75% | Jun 13, 08 | 70 000 | 11 743 | 822 06 | 5 550 | 388 50 | -433 56 | LT |
| | Aug 21, 08 | 50 000 | 10.760 | 538 00 | 5 550 | 277 50 | -260 50 | LT |
| Security total | | 120 000 | | 1,360 06 | | 666 00 | -694 06 | |
| KONINKLIJKE AHOLD NV NEW 2007 | | | | | | | | |
| SPON ADR | | | | | | | | |
| Symbol AHONY Exchange· OTC | | | | | | | | |
| EAI $40 Current yield. 1 35% | Nov 18, 02 | 55 000 | 14 998 | 824 92 | 13 286 | 730 73 | -94 19 | LT |
| | Dec 16, 03 | 168 000 | 9 167 | 1,540 22 | 13 286 | 2,232 04 | 691.82 | LT |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| Security total | | 223 000 | | 2,365 14 | | 2,962 77 | 597 63 | |
| KT CORP SPON ADR | | | | | | | | |
| Symbol KTC Exchange NYSE | | | | | | | | |
| EAI $22 Current yield 1 87% | Feb 22, 02 | 30 000 | 20 681 | 620 44 | 16 820 | 504 60 | -115 84 | LT |
| | May 8, 02 | 40 000 | 22 809 | 912 36 | 16 820 | 672 80 | -239 56 | LT |
| Security total | | 70 000 | | 1,532 80 | | 1,177 40 | -355 40 | |
| L M ERICSSON TELEFON CO SEK 10 | | | | | | | | |
| NEW 2002 ADR | | | | | | | | |
| Symbol ERIC Exchange OTC | | | | | | | | |
| EAI $43 Current yield 1 73% | Oct 24, 07 | 110 000 | 14 812 | 1,629 42 | 9 190 | 1,010 90 | -618 52 | LT |
| | Jan 3, 08 | 160 000 | 11 564 | 1,850 31 | 9 190 | 1,470 40 | -379 91 | LT |
| Security total | | 270 000 | | 3,479 73 | | 2,481 30 | -998 43 | |
| LILLY ELI & CO | | | | | | | | |
| Symbol LLY Exchange NYSE | | | | | | | | |
| EAI $59 Current yield 5 51% | Oct 6, 09 | 30 000 | 32 995 | 989 88 | 35 710 | 1,071 30 | 81 42 | ST |
| MARKS & SPENCER GROUP INC SPON | | | | | | | | |
| ADR | | | | | | | | |
| Symbol MAKSY Exchange OTC | | | | | | | | |
| EAI $68 Current yield 3 49% | Jul 11, 03 | 15 000 | 10 729 | 160 94 | 12 983 | 194 75 | 33 81 | LT |
| | Sep 17, 03 | 135 000 | 10 554 | 1,424 81 | 12 983 | 1,752 71 | 327.90 | LT |
| Security total | | 150 000 | | 1,585 75 | | 1,947 45 | 361 71 | |
| MARSH & MCLENNAN COS INC | | | | | | | | |
| Symbol. MMC Exchange NYSE | | | | | | | | |
| EAI $60 Current yield 3 62% | Nov 24, 09 | 75 000 | 22 759 | 1,706 97 | 22 080 | 1,656 00 | -50 97 | ST |
| MICRON TECHNOLOGY INC | | | | | | | | |
| Symbol MU Exchange OTC | Mar 9, 07 | 95 000 | 11 418 | 1,084 71 | 10 560 | 1,003 20 | -81 51 | LT |
| MICROSOFT CORP | | | | | | | | |
| Symbol MSFT Exchange OTC | | | | | | | | |
| EAI $57 Current yield 1 70% | May 1, 06 | 50 000 | 24 391 | 1,219 60 | 30 480 | 1,524 00 | 304 40 | LT |
| | Sep 18, 08 | 60 000 | 24 760 | 1,485 60 | 30 480 | 1,828 80 | 343 20 | LT |
| Security total | | 110 000 | | 2,705 20 | | 3,352 80 | 647 60 | |
| MITSUBISHI UFJ FINANCIAL GROUP | | | | | | | | |
| INC SPON ADR | | | | | | | | |
| Symbol MTU Exchange NYSE | | | | | | | | |
| EAI $33 Current yield 2 20% | Apr 18, 07 | 65 000 | 11 182 | 726 86 | 4 920 | 319 80 | -407 06 | LT |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| | Sep 19, 07 | 240 000 | 9.182 | 2,203 85 | 4 920 | 1,180 80 | -1,023 05 | LT |
| Security total | | 305 000 | | 2,930 71 | | 1,500 60 | -1,430 11 | |
| MITSUI SUMITOMO UNSPONS ADR ADR | | | | | | | | |
| Symbol MSIGY Exchange OTC | | | | | | | | |
| EAI $48 Current yield 1 80% | Nov 30, 06 | 210 000 | 20 122 | 4,225 66 | 12 702 | 2,667 42 | -1,558 24 | LT |
| MIZUHO FINANCIAL GROUP INC SPON ADR | | | | | | | | |
| Symbol. MFG Exchange NYSE | | | | | | | | |
| EAI $83 Current yield 5 30% | May 7, 07 | 240 000 | 12 494 | 2,998 75 | 3 560 | 854 40 | -2,144 35 | LT |
| | Sep 19, 07 | 150 000 | 11 065 | 1,659 75 | 3 560 | 534 00 | -1,125 75 | LT |
| | Sep 20, 07 | 50 000 | 10 915 | 545 77 | 3 560 | 178.00 | -367 77 | LT |
| Security total | | 440 000 | | 5,204 27 | | 1,566 40 | -3,637 87 | |
| MOTOROLA INC | | | | | | | | |
| Symbol MOT Exchange NYSE | Jul 10, 07 | 270 000 | 17 621 | 4,757 89 | 7 760 | 2,095 20 | -2,662 69 | LT |
| NIPPON TELEG & TEL CORP SPON ADR | | | | | | | | |
| Symbol NTT Exchange NYSE | | | | | | | | |
| EAI. $66 Current yield 2 91% | Feb 14, 05 | 35 000 | 21 357 | 747 50 | 19 740 | 690 90 | -56 60 | LT |
| | Jun 28, 07 | 80 000 | 22 238 | 1,779 04 | 19 740 | 1,579 20 | -199 84 | LT |
| Security total | | 115 000 | | 2,526 54 | | 2,270 10 | -256 44 | |
| NOKIA CORP SPONS ADR FINLAND ADR | | | | | | | | |
| Symbol NOK Exchange. NYSE | | | | | | | | |
| EAI $59 Current yield· 3 06% | Nov 18, 08 | 35 000 | 13 029 | 456 02 | 12 850 | 449 75 | -6 27 | LT |
| | Apr 16, 09 | 115 000 | 13 168 | 1,514 37 | 12 850 | 1,477 75 | -36 62 | ST |
| Security total | | 150 000 | | 1,970 39 | | 1,927 50 | -42 89 | |
| PFIZER INC | | | | | | | | |
| Symbol· PFE Exchange NYSE | | | | | | | | |
| EAI $272 Current yield 3 96% | Oct 18, 04 | 120 000 | 28 748 | 3,449 82 | 18 190 | 2,182.80 | -1,267 02 | LT |
| | Jun 21, 07 | 160 000 | 25 939 | 4,150 32 | 18 190 | 2,910 40 | -1,239.92 | LT |
| | Oct 16, 09 | 98 000 | 17 660 | 1,730 68 | 18 190 | 1,782 62 | 51 94 | ST |
| Security total | | 378 000 | | 9,330 82 | | 6,875 82 | -2,455 00 | |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| PNC FINANCIAL SERVICES GROUP | | | | | | | | |
| Symbol PNC Exchange NYSE | | | | | | | | |
| EAI $7 Current yield 0 74% | Nov 6, 07 | 7 000 | 642 002 | 4,494 02 | 52 790 | 369 53 | -4,124 49 | LT |
| | May 27, 08 | 11 000 | 134 636 | 1,481 00 | 52 790 | 580 69 | -900 31 | LT |
| Security total | | 18 000 | | 5,975 02 | | 950 22 | -5,024 80 | |
| PORTUGAL TELECOM SGPS S A 1 | | | | | | | | |
| ADR = 1 ORD SPON ADR | | | | | | | | |
| Symbol PT Exchange NYSE | | | | | | | | |
| EAI $76 Current yield. 4 82% | Feb 17, 04 | 130 000 | 11 552 | 1,501 86 | 12 140 | 1,578 20 | 76 34 | LT |
| REGIONS FINANCIAL CORP | | | | | | | | |
| Symbol RF Exchange NYSE | | | | | | | | |
| EAI $5 Current yield 0 70% | Sep 24, 09 | 135 000 | 6 395 | 863 34 | 5 290 | 714 15 | -149 19 | ST |
| ROYAL BANK SCOTLAND SPON ADR | | | | | | | | |
| Symbol RBS Exchange NYSE | Apr 2, 08 | 26 000 | 142 307 | 3,699 99 | 9 390 | 244 14 | -3,455 85 | LT |
| SAFEWAY INC | | | | | | | | |
| Symbol SWY Exchange NYSE | | | | | | | | |
| EAI. $66 Current yield 1 88% | Feb 3, 04 | 105 000 | 22 925 | 2,407 16 | 21 290 | 2,235 45 | -171 71 | LT |
| | Mar 15, 05 | 60 000 | 18 421 | 1,105 27 | 21 290 | 1,277 40 | 172 13 | LT |
| Security total | | 165 000 | | 3,512 43 | | 3,512 85 | 0 42 | |
| SANOFI-AVENTIS SA SPON ADR | | | | | | | | |
| Symbol SNY Exchange NYSE | | | | | | | | |
| EAI $151 Current yield 2 85% | Oct 7, 05 | 45 000 | 42 103 | 1,894 65 | 39 270 | 1,767 15 | -127 50 | LT |
| | Nov 8, 06 | 50 000 | 42 465 | 2,123 28 | 39 270 | 1,963 50 | -159 78 | LT |
| | Oct 31, 07 | 40 000 | 43 813 | 1,752 55 | 39 270 | 1,570 80 | -181 75 | LT |
| Security total | | 135 000 | | 5,770 48 | | 5,301 45 | -469 03 | |
| SARA LEE CORP | | | | | | | | |
| Symbol SLE Exchange NYSE | | | | | | | | |
| EAI $165 Current yield 3 61% | May 8, 06 | 225 000 | 15 879 | 3,572 99 | 12 180 | 2,740 50 | -832 49 | LT |
| | Apr 26, 07 | 150 000 | 16 450 | 2,467 50 | 12 180 | 1,827 00 | -640 50 | LT |
| Security total | | 375 000 | | 6,040 49 | | 4,567 50 | -1,472 99 | |
| SONY CORP ADR NEW JAPAN ADR | | | | | | | | |
| Symbol SNE Exchange NYSE | | | | | | | | |
| EAI $15 Current yield 0 86% | Oct 6, 08 | 15 000 | 27 396 | 410 95 | 29 000 | 435 00 | 24 05 | LT |
| | Aug 27, 09 | 45 000 | 26 991 | 1,214 64 | 29 000 | 1,305 00 | 90.36 | ST |
| Security total | | 60.000 | | 1,625 59 | | 1,740 00 | 114 41 | |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| STMICROELECTRONICS N V<br>Symbol STM Exchange NYSE<br>EAI· $24 Current yield 1 08% | Mar 1, 05 | 90 000 | 18 047 | 1,624 30 | 9 270 | 834 30 | -790 00 | LT |
| | Jun 29, 05 | 150 000 | 16 224 | 2,433 66 | 9 270 | 1,390 50 | -1,043 16 | LT |
| Security total | | 240 000 | | 4,057 96 | | 2,224 80 | -1,833 16 | |
| SUMITOMO MITSUI FINANCIAL GROUP INC ADR<br>Symbol· SMFJY Exchange OTC<br>EAI $20 Current yield 1 83% | May 22, 07 | 385 000 | 9 065 | 3,490 10 | 2 841 | 1,093.78 | -2,396 32 | LT |
| SUNTRUST BANKS INC<br>Symbol STI Exchange NYSE<br>EAI $2 Current yield· 0 22% | Apr 28, 09 | 45 000 | 14 761 | 664 29 | 20 290 | 913.05 | 248 76 | ST |
| SUPERVALU INC<br>Symbol SVU Exchange. NYSE<br>EAI $53 Current yield 5 56% | Jan 4, 08 | 75 000 | 34 090 | 2,556 82 | 12 710 | 953 25 | -1,603 57 | LT |
| SWISS REINS CO SPON ADR<br>Symbol SWCEY Exchange OTC<br>EAI $2 Current yield 0 14% | Oct 22, 09 | 30 000 | 47 269 | 1,418 08 | 48 281 | 1,448 43 | 30 35 | ST |
| TELE NORTE LESTE PARTICIPACOES S A ADR<br>Symbol TNE Exchange NYSE<br>EAI $98 Current yield 11 44% | Jul 11, 07 | 40 000 | 21 490 | 859 60 | 21 420 | 856.80 | -2 80 | LT |
| TELEBRAS TELECOMUNICA-BRASILEIRAS SA REP 1 DEP SHR SPON ADR<br>Symbol. TBH Exchange NYSE<br>EAI $4 Current yield. 1 71% | Sep 11, 98 | 25 000 | 47 922 | 1,198 06 | 5 850 | 146 25 | -1,051 81 | LT |
| | Aug 5, 99 | 15 000 | 63 843 | 957 65 | 5 850 | 87 75 | -869 90 | LT |
| Security total | | 40 000 | | 2,155 71 | | 234 00 | -1,921 71 | |
| TELECOM ITALIA SPA NEW REPSTG 10 ORD SHS SPON ADR<br>Symbol TI Exchange NYSE<br>EAI $128 Current yield 3 07% | Sep 17, 03 | 120 000 | 24 896 | 2,987 53 | 15 430 | 1,851 60 | -1,135 93 | LT |
| | Mar 31, 06 | 150 000 | 29 223 | 4,383 48 | 15 430 | 2,314.50 | -2,068 98 | LT |
| Security total | | 270 000 | | 7,371 01 | | 4,166 10 | -3,204 91 | |

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## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| TELEFONICA S A SPON ADR<br>Symbol TEF Exchange NYSE<br>EAI $59 Current yield 4 16% | Jul 17, 00 | 17 000 | 55 979 | 951 65 | 83.520 | 1,419 84 | 468 19 | LT |
| TELEFONOS DE MEXICO S A SPON ADR REPSTG SH ORD L MEXICO ADR<br>Symbol TMX Exchange NYSE<br>EAI $48 Current yield 4 08% | Jun 8, 00 | 71 000 | 8 542 | 606 53[1] | 16 580 | 1,177 18 | 570 65 | LT |
| TENET HEALTHCARE CORP<br>Symbol THC Exchange NYSE | Dec 3, 03 | 200 000 | 15 559 | 3,111 96 | 5 390 | 1,078 00 | -2,033 96 | LT |
| TEXAS INSTRUMENTS<br>Symbol TXN Exchange NYSE<br>EAI $58 Current yield 1 85% | Oct 21, 08 | 60 000 | 16 987 | 1,019 27 | 26 060 | 1,563 60 | 544 33 | LT |
| | Oct 23, 08 | 30 000 | 16 995 | 509 86 | 26 060 | 781 80 | 271 94 | LT |
| | Apr 3, 09 | 30 000 | 16 590 | 497 70 | 26.060 | 781 80 | 284 10 | ST |
| Security total | | 120 000 | | 2,026 83 | | 3,127 20 | 1,100 37 | |
| TIM PARTICIPACOES SA ADR<br>Symbol TSU Exchange NYSE<br>EAI $2 Current yield 2 24% | | 3 000 | ---This information was unavailable--- | | 29 710 | 89 13 | | |
| TOKIO MARINE HOLDINGS INC SPON ADR<br>Symbol TKOMY Exchange OTC<br>EAI $44 Current yield 1 62% | Jun 25, 97 | 62 000 | 25 837 | 1,601 90 | 27 176 | 1,684 91 | 83 01 | LT |
| | Feb 26, 02 | 38 000 | 13 765 | 523 10 | 27 176 | 1,032 69 | 509 59 | LT |
| Security total | | 100 000 | | 2,125 00 | | 2,717 60 | 592 60 | |
| TOYOTA MOTOR CORP NEW JAPAN SPON ADR<br>Symbol TM Exchange NYSE<br>EAI $38 Current yield 1.29% | Oct 6, 09 | 5 000 | 76 418 | 382 09 | 84 160 | 420 80 | 38 71 | ST |
| | Oct 21, 09 | 30 000 | 79 253 | 2,377 61 | 84 160 | 2,524 80 | 147 19 | ST |
| Security total | | 35 000 | | 2,759 70 | | 2,945 60 | 185 90 | |
| UNILEVER NV N Y SHS NEW NETHERLANDS SPON SPON ADR<br>Symbol UN Exchange NYSE<br>EAI $74 Current yield 2 86% | Sep 23, 04 | 80 000 | 19 512 | 1,561 01 | 32 330 | 2,586 40 | 1,025 39 | LT |

*continued next page*

## Your assets › **Equities** › **Common stock** (continued)

| Holding | Trade date | Number of shares | Purchase price per share ($) | Cost basis ($) | Price per share on Dec 31 ($) | Value on Dec 31 ($) | Unrealized gain or loss ($) | Holding period |
|---|---|---|---|---|---|---|---|---|
| VALERO ENERGY CORP NEW<br>Symbol VLO Exchange NYSE<br>EAI $30 Current yield 3 58% | Dec 1, 08 | 50 000 | 16.500 | 825 00 | 16 750 | 837.50 | 12 50 | LT |
| VERIZON COMMUNICATIONS INC<br>Symbol VZ Exchange NYSE<br>EAI $190 Current yield 5 73% | Jun 8, 00 | 45 000 | 52 006 | 2,340 30 | 33.130 | 1,490 85 | -849 45 | LT |
| | May 23, 02 | 10 000 | 41 041 | 410 41 | 33 130 | 331 30 | -79.11 | LT |
| | Jul 15, 05 | 45 000 | 33 317 | 1,499 30 | 33 130 | 1,490 85 | -8 45 | LT |
| Security total | | 100 000 | | 4,250 01 | | 3,313.00 | -937 01 | |
| VIVO PARTICIPACOES SA REPSTG<br>PFD SPON ADR<br>Symbol VIV Exchange NYSE<br>EAI $3 Current yield 1 38% | Sep 11, 98 | 2 000 | 67 330 | 134 66 | 31.000 | 62 00 | -72 66 | LT |
| | Aug 5, 99 | 3 000 | 3 060 | 9 18 | 31 000 | 93.00 | 83 82 | LT |
| | Dec 10, 04 | 2 000 | 16 875 | 33 75 | 31 000 | 62 00 | 28 25 | LT |
| Security total | | 7 000 | | 177 59 | | 217 00 | 39 41 | |
| WELLS FARGO & CO NEW<br>Symbol WFC Exchange NYSE<br>EAI $18 Current yield 0 74% | May 13, 08 | 27 000 | 144 852 | 3,911 03 | 26 990 | 728 73 | -3,182 30 | LT |
| | Jul 17, 08 | 33 000 | 56 395 | 1,861.05 | 26 990 | 890 67 | -970 38 | LT |
| | Aug 19, 09 | 30 000 | 26 340 | 790 20 | 26 990 | 809 70 | 19 50 | ST |
| Security total | | 90.000 | | 6,562 28 | | 2,429.10 | -4,133 18 | |
| XEROX CORP<br>Symbol XRX Exchange NYSE<br>EAI $49 Current yield 2 00% | Oct 30, 00 | 150 000 | 8 430 | 1,264 55 | 8 460 | 1,269.00 | 4 45 | LT |
| | Jul 26, 05 | 140 000 | 13 090 | 1,832 71 | 8 460 | 1,184 40 | -648 31 | LT |
| Security total | | 290 000 | | 3,097 26 | | 2,453 40 | -643 86 | |
| **Total** | | | | **$219,122.22** | | **$162,706.76** | **-$56,504.58** | |

**Total estimated annual income: $4,247**

[1] Indicates cost basis information has been provided by a source other than UBS Financial Services

Asterisk * indicates the calculation of unrealized gains/losses based upon a UBS Financial Services adjustment to cost basis

## Your assets (continued)

### Your total assets

| | | Value on Dec 31 ($) | Percentage of your account | Cost basis ($) | Estimated annual income ($) | Unrealized gain or loss ($) |
|---|---|---|---|---|---|---|
| **Cash** | **Cash and money balances** | **2,515.85** | **1.52%** | **2,515.85** | | |
| **Equities** | *** Common stock** | **162,706.76** | **98.48%** | **219,122.22** | **4,247.00** | **-56,504.58** |
| **Total** | | **$165,222.61** | **100.00%** | **$221,638.07** | **$4,247.00** | **-$56,504.58** |

* Missing cost basis information

# Account activity this month

**Dividend and interest income**

*Taxable dividends*

| Date | Activity | Description | | Amount ($) |
|---|---|---|---|---|
| Dec 1 | Dividend | INTEL CORP PAID ON | 200 | 28 00 |
| Dec 1 | Dividend | PFIZER INC PAID ON | 378 | 60 48 |
| Dec 1 | Foreign Dividend | STMICROELECTRONICS N V PAID ON | 240 | 7 20 |
| Dec 1 | Dividend | WELLS FARGO & CO NEW PAID ON | 90 | 4 50 |
| Dec 8 | Foreign Dividend | SONY CORP ADR NEW JAPAN ADR PAID ON | 60 | 8 63 |
| Dec 9 | Dividend | VALERO ENERGY CORP NEW PAID ON | 50 | 7 50 |
| Dec 9 | Foreign Dividend | VIVO PARTICIPACOES SA REPSTG PFD SPON ADR PAID ON | 5 | 2 11 |
| Dec 10 | Dividend | LILLY ELI & CO PAID ON | 30 | 14 70 |
| Dec 10 | Dividend | MICROSOFT CORP PAID ON | 160 | 20 80 |
| Dec 10 | Foreign Dividend | VIVO PARTICIPACOES SA REPSTG PFD SPON ADR PAID ON | 5 | 1 28 |
| Dec 14 | Dividend | DU PONT DE NEMOURS PAID ON | 25 | 10 25 |
| Dec 15 | Dividend | KEYCORP NEW PAID ON | 120 | 1 20 |
| Dec 15 | Dividend | SUNTRUST BANKS INC PAID ON | 45 | 0 45 |
| Dec 15 | Dividend | SUPERVALU INC PAID ON | 75 | 13 13 |
| Dec 15 | Foreign Dividend | TOKIO MARINE HOLDINGS INC SPON ADR PAID ON | 100 | 27 10 |
| Dec 16 | Foreign Dividend | UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR PAID ON | 100 | 39 50 |

*continued next page*

## Account activity this month (continued)

**Dividend and interest income** (continued)

*Taxable dividends (continued)*

| Date | Activity | Description | Amount ($) |
|---|---|---|---|
| Dec 16 | Foreign Dividend | TELEBRAS TELECOMUNICA- BRASILEIRAS SA REP 1 DEP SHR SPON ADR PAID ON 40 | 1 60 |
| Dec 17 | Dividend | HOME DEPOT INC PAID ON 110 | 24 75 |
| Dec 17 | Foreign Dividend | NIPPON TELEG & TEL CORP SPON ADR PAID ON 115 | 39 04 |
| Dec 17 | Foreign Dividend | TELEBRAS TELECOMUNICA- BRASILEIRAS SA REP 1 DEP SHR SPON ADR PAID ON 40 | 1 02 |
| Dec 17 | St Cap Gain | RMA MONEY MKT PORTFOLIO AS OF 12/16/09 | 0 16 |
| Dec 18 | Foreign Dividend | SUMITOMO MITSUI FINANCIAL GROUP INC ADR PAID ON 385 | 19.14 |
| Dec 21 | Foreign Dividend | MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR PAID ON 305 | 20 68 |
| Dec 24 | Dividend | BANK OF AMER CORP PAID ON 164 | 1 64 |
| Dec 24 | Foreign Dividend | FUJI FILM HOLDINGS CORP ADR PAID ON 80 | 11 31 |
| Dec 24 | Foreign Dividend | MITSUI SUMITOMO UNSPONS ADR PAID ON 210 | 32 06 |
| Dec 24 | Foreign Dividend | TELEFONOS DE MEXICO S A SPON ADR REPSTG SH ORD L MEXICO ADR PAID ON 71 | 12 66 |
| Dec 28 | Foreign Dividend | TELEFONOS DE MEXICO S A SPON ADR REPSTG SH ORD L MEXICO ADR PAID ON 71 AS OF 12/24/09 | 44 03 |
| **Total taxable dividends** | | | **$454.92** |
| **Total dividend and interest income** | | | **$454.92** |

**Fees**

| Date | Activity | Description | Amount ($) |
|---|---|---|---|
| Dec 8 | Fee | SONY CORP ADR NEW JAPAN ADR | -0.12 |
| Dec 9 | Fee | VIVO PARTICIPACOES SA REPSTG PFD SPON ADR | -0 10 |
| Dec 15 | Fee | TOKIO MARINE HOLDINGS INC SPON ADR | -2 35 |
| Dec 17 | Fee | NIPPON TELEG & TEL CORP SPON ADR | -0 40 |
| Dec 18 | Fee | SUMITOMO MITSUI FINANCIAL GROUP INC ADR | -4 00 |
| Dec 21 | Fee | MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR | -0 31 |
| Dec 24 | Fee | FUJI FILM HOLDINGS CORP ADR | -1 88 |

*continued next page*

## Account activity this month (continued)

| | Date | Activity | Description | Amount ($) |
|---|---|---|---|---|
| **Fees** (continued) | Dec 24 | Fee | MITSUI SUMITOMO UNSPONS ADR | -4 58 |
| | Dec 24 | Fee | TELEFONOS DE MEXICO S A SPON ADR REPSTG SH ORD L MEXICO ADR | -0 36 |
| | **Total fees** | | | **-$14.10** |

| | Date | Activity | Description | Amount ($) |
|---|---|---|---|---|
| **Other funds debited** | Dec 1 | Foreign Tax Withheld | STMICROELECTRONICS N V | -1 08 |
| | Dec 8 | Withdrawal | CHECK 5932432 TO THIRD PARTY | -200 00 |
| | Dec 8 | Withdrawal | CHECK 5932434 TO THIRD PARTY | -200 00 |
| | Dec 8 | Withdrawal | CHECK 5932263 TO THIRD PARTY | -639 00 |
| | Dec 8 | Withdrawal | CHECK 5932896 TO THIRD PARTY | -750 00 |
| | Dec 8 | Withdrawal | CHECK 5932431 TO THIRD PARTY | -1,000 00 |
| | Dec 8 | Withdrawal | CHECK 5931318 TO THIRD PARTY | -1,500 00 |
| | Dec 8 | Withdrawal | CHECK 5932436 TO THIRD PARTY | -1,500 00 |
| | Dec 8 | Withdrawal | CHECK 5932244 TO THIRD PARTY | -2,000 00 |
| | Dec 8 | Withdrawal | CHECK 5932435 TO THIRD PARTY | -3,000 00 |
| | Dec 8 | Foreign Tax Withheld | SONY CORP ADR NEW JAPAN ADR | -0 60 |
| | Dec 10 | Foreign Tax Withheld | VIVO PARTICIPACOES SA REPSTG PFD SPON ADR | -0 19 |
| | Dec 15 | Foreign Tax Withheld | TOKIO MARINE HOLDINGS INC SPON ADR | -1 90 |
| | Dec 16 | Foreign Tax Withheld | UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR | -5 92 |
| | Dec 17 | Foreign Tax Withheld | NIPPON TELEG & TEL CORP SPON ADR | -2 73 |
| | Dec 17 | Foreign Tax Withheld | TELEBRAS TELECOMUNICA- BRASILEIRAS SA REP 1 DEP SHR SPON ADR | -0 15 |
| | Dec 18 | Foreign Tax Withheld | SUMITOMO MITSUI FINANCIAL GROUP INC ADR | -1 34 |
| | Dec 21 | Foreign Tax Withheld | MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR | -1 45 |
| | Dec 24 | Foreign Tax Withheld | FUJI FILM HOLDINGS CORP ADR | -0 79 |

*continued next page*

## Account activity this month (continued)

| | Date | Activity | Description | Amount ($) |
|---|---|---|---|---|
| **Other funds debited** (continued) | Dec 24 | Foreign Tax Withheld | MITSUI SUMITOMO UNSPONS ADR | -2 24 |
| | **Total other funds debited** | | | **-$10,807.39** |

### Security transactions

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document

| Date | Activity | Description | Quantity | Value ($) | Price ($) | Proceeds from securities transactions ($) | Funds withdrawn for securities bought ($) | Accrued interest ($) |
|---|---|---|---|---|---|---|---|---|
| Dec 8 | Sold | BRISTOL MYERS SQUIBB CO | -80 000 | | 25 26 | 2,020 74 | | |
| Dec 8 | Sold | HOME DEPOT INC | -35 000 | | 28 02 | 980 67 | | |
| Dec 8 | Sold | MICROSOFT CORP | -50 000 | | 30 00 | 1,499 96 | | |
| Dec 8 | Sold | MICRON TECHNOLOGY INC | -330 000 | | 8 742500 | 2,884.95 | | |
| Dec 8 | Sold | PORTUGAL TELECOM SGPS S A 1 ADR = 1 ORD SPON ADR | -95 000 | | 12 73 | 1,209 31 | | |
| Dec 8 | Sold | TELEFONICA S A SPON ADR | -10 000 | | 88 55 | 885 47 | | |
| Dec 8 | Sold | UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR | -20.000 | | 32 16 | 643 18 | | |
| **Total** | | | | | | **$10,124.28** | | |

| | Date | Activity | Description | Amount ($) |
|---|---|---|---|---|
| **Money balance activities** | **Nov 30** | **Balance forward** | | **$2,758.14** |
| | Dec 2 | Bought | RMA MONEY MKT PORTFOLIO | 99 10 |
| | Dec 9 | Sold | RMA MONEY MKT PORTFOLIO AS OF 12/08/09 | -656 81 |
| | Dec 10 | Bought | RMA MONEY MKT PORTFOLIO | 9 51 |
| | Dec 11 | Bought | RMA MONEY MKT PORTFOLIO | 36 59 |
| | Dec 15 | Bought | RMA MONEY MKT PORTFOLIO | 10 25 |
| | Dec 16 | Bought | RMA MONEY MKT PORTFOLIO | 37 63 |
| | Dec 17 | Bought | RMA MONEY MKT PORTFOLIO AS OF 12/16/09 | 0.16 |
| | Dec 17 | Bought | RMA MONEY MKT PORTFOLIO | 35 18 |
| | Dec 18 | Bought | RMA MONEY MKT PORTFOLIO | 61 53 |
| | Dec 21 | Bought | RMA MONEY MKT PORTFOLIO | 13 80 |

*continued next page*

## Account activity this month (continued)

| | Date | Activity | Description | Amount ($) |
|---|---|---|---|---|
| **Money balance activities** (continued) | Dec 22 | Bought | RMA MONEY MKT PORTFOLIO | 18 92 |
| | Dec 28 | Bought | RMA MONEY MKT PORTFOLIO | 47 82 |
| | Dec 29 | Bought | RMA MONEY MKT PORTFOLIO | 44 03 |
| | **Dec 31** | **Closing RMA Money Mkt. Portfolio** | | **$2,515.85** |

# Realized gains and losses

The estimated realized gains and losses shown below are not for tax purposes Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss Please check with your tax advisor To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order See *Important information about your statement* at the end of this document for more information We may not adjust gains and losses for all capital changes

We automatically adjust cost basis for tax-exempt and AMT coupon municipal securities for estimated amortization of bond premiums and for accreted OID for securities issued at a discount If you requested that UBS adjust cost basis for the bond premium amortization on taxable debt securities then cost basis reflected for these securities has been adjusted Estimates in the *Unclassified* section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

## Short-term capital gains and losses

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| BRASIL TELECOM S A SPON ADR | LIFO | 0 681 | Nov 24, 09 | Nov 24, 09 | 10 80 | 11 39 | -0 59 | | |
| BRASIL TELECOM SA REPSTG PFD SHS SPON ADR | LIFO | 0 609 | Nov 24, 09 | Nov 24, 09 | 19 16 | 19 07 | | 0 09 | |
| **Total** | | | | | **$29.96** | **$30.46** | **-$0.59** | **$0.09** | **-$0.50** |

## Long-term capital gains and losses

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| BRISTOL MYERS SQUIBB CO | FIFO | 60 000 | Apr 26, 02 | Dec 03, 09 | 1,515 56 | 1,761 58 | -246 02 | | |
| | FIFO | 20 000 | May 21, 02 | Dec 03, 09 | 505 19 | 604 38 | -99 19 | | |
| HOME DEPOT INC | FIFO | 5 000 | Oct 31, 07 | Dec 03, 09 | 140 10 | 156 35 | -16 25 | | |
| | FIFO | 30 000 | Nov 15, 07 | Dec 03, 09 | 840 57 | 874 02 | -33 45 | | |
| MICRON TECHNOLOGY INC | FIFO | 110 000 | Aug 17, 04 | Dec 03, 09 | 961 65 | 1,230 39 | -268 74 | | |
| | FIFO | 90 000 | Feb 10, 05 | Dec 03, 09 | 786 80 | 1,004 04 | -217 24 | | |
| | FIFO | 130 000 | Mar 09, 07 | Dec 03, 09 | 1,136 50 | 1,484 34 | -347 84 | | |
| MICROSOFT CORP | FIFO | 50 000 | May 01, 06 | Dec 03, 09 | 1,499 96 | 1,219 60 | | 280 36 | |

*continued next page*

## Realized gains and losses (continued)

### Long-term capital gains and losses (continued)

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| PORTUGAL TELECOM SGPS S A 1 ADR = 1 ORD SPON ADR | FIFO | 95 000 | Feb 17, 04 | Dec 03, 09 | 1,209 31 | 1,097 52 | | 111 79 | |
| TELEFONICA S A SPON ADR | FIFO | 10 000 | Jul 17, 00 | Dec 03, 09 | 885 47 | 559 80 | | 325 67 | |
| UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR | FIFO | 20 000 | Sep 23, 04 | Dec 03, 09 | 643 18 | 390 25 | | 252 93 | |
| **Total** | | | | | **$10,124.29** | **$10,382.27** | **-$1,228.73** | **$970.75** | **-$257.98** |
| **Net capital gains/losses:** | | | | | | | | | **-$258.48** |

### Prior month or year activity

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| WYETH ***MERGER EFF 10/09*** | Adjustment | 100 000 | Sep 26, 07 | Oct 16, 09 | 5,039 51 | 4,418 02 | | 621 49 | |

# Your notes

End of statement for account number CE 46840 4B

UBS
UBS Financial Services Inc
312 WALNUT STREET
SUITE 3300
CINCINNATI OH 45202-4045

CPZ2000429855 1209 CE 2

# 2009 Year End Summary

**Duplicate statement for the account of:**
THE BALLARD FAMILY FOUNDATION
4603 WEST FAIRWAY DRIVE
NEW BERN NC 28562-7535
Account number CE 46840 4B

RICHARD PILSON
PO BOX 1004
2511 N QUEEN STREET
KINSTON NC 28503-1004

## Summary of gains and losses

| | Amount ($) |
|---|---|
| Short term | 179 62 |
| Long term | -27,910.50 |
| **Total** | **$-27,730.88** |

## Realized gains and losses

Estimated 2009 gains and losses for transactions with trade dates through 12/31/09 have been incorporated into this statement To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order *See Important information about your statement* on the last page of this statement for more information

We may not adjust gains and losses for all capital changes Cost basis for coupon tax-exempt municipal securities, include securities subject to AMT, has been adjusted for mandatory amortization of bond premium Estimates in the Unclassified section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

### Short-term capital gains and losses

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| BRASIL TELECOM S A SPON<br>ADR | LIFO | 0 681 | Nov 24, 09 | Nov 24, 09 | 10 80 | 11 39 | -0.59 | | |

*continued next page*

## Realized gains and losses (continued)

### Short-term capital gains and losses (continued)

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| BRASIL TELECOM SA REPSTG PFD SHS SPON ADR | LIFO | 0 609 | Nov 24, 09 | Nov 24, 09 | 19 16 | 19 07 | | 0 09 | |
| HSBC HOLDINGS PLC NEW GB SPON ADR | FIFO | 12 000 | Mar 31, 09 | Nov 09, 09 | 692 48 | 221 85 | | 470 63 | |
| PFIZER INC | Adjustment | 0 500 | Oct 16, 09 | Oct 16, 09 | 8 92 | 8 83 | | 0 09 | |
| PNC FINANCIAL SERVICES GROUP | LIFO | 0 424 | May 27, 08 | Jan 02, 09 | 20 57 | 57 08 | -36 51 | | |
| SLM CORP VTG | FIFO | 60 000 | Sep 04, 08 | Mar 20, 09 | 268 60 | 989 21 | -720 61 | | |
| | FIFO | 90 000 | Sep 04, 08 | Jan 16, 09 | 1,061 18 | 1,483 81 | -422 63 | | |
| SUN MICROSYSTEMS INC NEW | FIFO | 155 000 | Dec 04, 08 | Apr 20, 09 | 1,408 93 | 498 98 | | 909 95 | |
| WELLS FARGO & CO NEW | LIFO | 0 725 | Jul 17, 08 | Jan 02, 09 | 20 11 | 40 91 | -20 80 | | |
| **Total** | | | | | **$3,510.75** | **$3,331.13** | **-$1,201.14** | **$1,380.76** | **$179.62** |

### Long-term capital gains and losses

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| AKZO NOBEL NV ADR | FIFO | 15 000 | Mar 03, 04 | Oct 21, 09 | 1,001 40 | 572 19 | | 429 21 | |
| | FIFO | 5 000 | Mar 24, 04 | Oct 21, 09 | 333 80 | 177 06 | | 156 74 | |
| ASTRAZENECA PLC SPON ADR | FIFO | 25 000 | May 24, 07 | Jul 07, 09 | 1,088 41 | 1,340 09 | -251 68 | | |
| BOSTON SCIENTIFIC CORP | FIFO | 50 000 | Sep 22, 06 | Jul 27, 09 | 525 10 | 738 37 | -213 27 | | |
| | FIFO | 95 000 | Sep 22, 06 | Jun 23, 09 | 927 18 | 1,402 90 | -475.72 | | |
| BRASIL TELECOM PARTICIPACOES S A *MERHGER EFF· 11/09* | FIFO | 38 000 | Jun 21, 01 | Nov 24, 09 | 2,320 16 | 1,520 84 | | 799 32 | |
| BRISTOL MYERS SQUIBB CO | FIFO | 60 000 | Apr 26, 02 | Dec 03, 09 | 1,515 56 | 1,761 58 | -246 02 | | |
| | FIFO | 20 000 | May 21, 02 | Dec 03, 09 | 505 19 | 604 38 | -99 19 | | |
| CITIGROUP INC | FIFO | 135 000 | Nov 08, 07 | Mar 30, 09 | 320 62 | 4,266 95 | -3,946 33 | | |
| CONSECO INC NEW | FIFO | 125 000 | Jul 23, 07 | Mar 06, 09 | 50 48 | 2,510 23 | -2,459 75 | | |
| EASTMAN KODAK CO | FIFO | 115 000 | May 24, 07 | Aug 25, 09 | 521 07 | 2,946 94 | -2,425 87 | | |
| FAIRPOINT COMMUNICATIONS INC | FIFO | 1 000 | Jun 08, 00 | Mar 30, 09 | 0 64 | 10 48 | -9 84 | | |
| FORD MOTOR CO COM NEW | FIFO | 14 000 | Feb 14, 05 | Mar 18, 09 | 34 99 | 183 47 | -148 48 | | |
| | FIFO | 200 000 | Jun 03, 05 | Mar 18, 09 | 499 80 | 2,014 02 | -1,514 22 | | |

*continued next page*

## Realized gains and losses (continued)

### Long-term capital gains and losses (continued)

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| | FIFO | 240 000 | Nov 23, 05 | Mar 18, 09 | 599 76 | 2,004 91 | -1,405 15 | | |
| | FIFO | 195 000 | Mar 03, 06 | Mar 18, 09 | 487 30 | 1,476 72 | -989 42 | | |
| GANNETT CO | FIFO | 100.000 | May 17, 06 | Aug 13, 09 | 807 96 | 5,463 79 | -4,655 83 | | |
| | FIFO | 40 000 | Jul 31, 07 | Aug 13, 09 | 323 18 | 2,012 29 | -1,689 11 | | |
| HOME DEPOT INC | FIFO | 5.000 | Oct 31, 07 | Dec 03, 09 | 140 10 | 156 35 | -16 25 | | |
| | FIFO | 30 000 | Nov 15, 07 | Dec 03, 09 | 840 57 | 874 02 | -33 45 | | |
| HSBC HOLDINGS PLC NEW GB SPON ADR | FIFO | 1 000 | May 07, 08 | Nov 09, 09 | 57 71 | 83 24 | -25 53 | | |
| | FIFO | 30 000 | Mar 23, 07 | Nov 09, 09 | 1,731 21 | 2,664 87 | -933 66 | | |
| KT CORP SPON ADR | FIFO | 70 000 | Feb 22, 02 | Jan 13, 09 | 1,021 19 | 1,447 69 | -426 50 | | |
| L M ERICSSON TELEFON CO SEK 10 NEW 2002 ADR | FIFO | 100 000 | Oct 24, 07 | Apr 29, 09 | 956 72 | 1,481 30 | -524 58 | | |
| MICRON TECHNOLOGY INC | FIFO | 110 000 | Aug 17, 04 | Dec 03, 09 | 961 65 | 1,230 39 | -268 74 | | |
| | FIFO | 90 000 | Feb 10, 05 | Dec 03, 09 | 786 80 | 1,004 04 | -217 24 | | |
| | FIFO | 130 000 | Mar 09, 07 | Dec 03, 09 | 1,136 50 | 1,484 34 | -347 84 | | |
| | FIFO | 90 000 | Aug 17, 04 | Sep 29, 09 | 759 58 | 1,006.69 | -247 11 | | |
| MICROSOFT CORP | FIFO | 50 000 | May 01, 06 | Dec 03, 09 | 1,499 96 | 1,219 60 | | 280 36 | |
| MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR | FIFO | 15 000 | Mar 01, 02 | Apr 09, 09 | 76 19 | 92 42 | -16 23 | | |
| | FIFO | 200 000 | Mar 14, 07 | Apr 09, 09 | 1,015 81 | 2,376 60 | -1,360 79 | | |
| | FIFO | 70 000 | Apr 18, 07 | Apr 09, 09 | 355 53 | 782 78 | -427 25 | | |
| | FIFO | 125 000 | Mar 01, 02 | Mar 09, 09 | 475 43 | 770 13 | -294 70 | | |
| NORTEL NETWORKS CORP NEW (HOLDING CO) (NEW) | FIFO | 90 000 | Mar 29, 05 | Jan 22, 09 | 7 34 | 2,487 15 | -2,479 81 | | |
| PORTUGAL TELECOM SGPS S A 1 ADR = 1 ORD SPON ADR | FIFO | 95 000 | Feb 17, 04 | Dec 03, 09 | 1,209 31 | 1,097 52 | | 111 79 | |
| SANOFI-AVENTIS SA SPON ADR | FIFO | 25 000 | Oct 07, 05 | Apr 29, 09 | 710 33 | 1,052 59 | -342 26 | | |
| | FIFO | 20 000 | Oct 07, 05 | Apr 06, 09 | 547 21 | 842 07 | -294 86 | | |
| TELEFONICA S A SPON ADR | FIFO | 10 000 | Jul 17, 00 | Dec 03, 09 | 885 47 | 559.80 | | 325 67 | |

*continued next page*

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## Realized gains and losses (continued)

### Long-term capital gains and losses (continued)

| Security description | Method | Quantity or face value ($) | Purchase date | Sale date | Sale amount ($) | Purchase amount ($) | Loss ($) | Gain ($) | Net gain or loss ($) |
|---|---|---|---|---|---|---|---|---|---|
| TELMEX INTERNACIONAL SAB DE CV SER L SPON ADR | FIFO | 71 000 | Jun 08, 00 | Sep 17, 09 | 1,035 36 | 502 48 | | 532 88 | |
| UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR | FIFO | 20 000 | Sep 23, 04 | Dec 03, 09 | 643 18 | 390 25 | | 252 93 | |
| | FIFO | 20 000 | Sep 23, 04 | Aug 24, 09 | 560 74 | 390 25 | | 170 49 | |
| UNISYS CORP **REVERSE SPLIT EFF 10/2009** | FIFO | 245 000 | Jun 25, 01 | Aug 07, 09 | 524 97 | 3,297 60 | -2,772 63 | | |
| VIVO PARTICIPACOES SA REPSTG PFD SPON ADR | LIFO | 0 740 | Sep 11, 98 | Sep 11, 09 | 17 75 | 49 82 | -32 07 | | |
| WYETH ***MERGER EFF 10/09*** | Adjustment | 100 000 | Sep 26, 07 | Oct 16, 09 | 5,039 51 | 4,418 02 | | 621 49 | |
| **Total** | | | | | **$34,858.72** | **$62,769.22** | **-$31,591.38** | **$3,680.88** | **-$27,910.50** |
| **Net capital gains/losses:** | | | | | | | | | **-$27,730.88** |

End of statement for account number CE 46840 4B