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
LYNDHURST FOUNDATION, INC

Number and street (or P O box number if mail is not delivered to street address) Room/suite
517 EAST FIFTH STREET

City or town, state, and ZIP code
CHATTANOOGA, TN 37403

A Employer identification number
62-6044177

B Telephone number
423-756-0767

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)* ▶$ 194,388,983.

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).)	**(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				
	2	Check ▶ ☒ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	20,671.	20,671.	20,671.	
	4	Dividends and interest from securities	10,127,490.	10,127,490.	10,127,490.	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	<9,603,603.>			
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)		0.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss)				
	11	Other income	<11041266.>	<10983880.>	0.	STATEMENT 1
	12	**Total.** Add lines 1 through 11	<10496708.>	<835,719.>	10,148,161.	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	274,250.	54,850.	0.	219,400.
	14	Other employee salaries and wages	352,490.	24,929.	0.	327,561.
	15	Pension plans, employee benefits	58,080.	0.	0.	0.
	16a	Legal fees STMT 2	23,506.	0.	0.	23,506.
	b	Accounting fees STMT 3	29,000.	19,334.	0.	9,666.
	c	Other professional fees STMT 4	278,852.	258,720.	0.	20,132.
	17	Interest	168.	0.	0.	0.
	18	Taxes STMT 5	4,383.	0.	0.	230.
	19	Depreciation and depletion	38,930.	0.	38,930.	
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses STMT 6	428,997.	0.	0.	413,815.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	1,488,656.	357,833.	38,930.	1,014,310.
	25	Contributions, gifts, grants paid	9,634,207.			9,634,207.
	26	**Total expenses and disbursements.** Add lines 24 and 25	11,122,863.	357,833.	38,930.	10,648,517.
	27	Subtract line 26 from line 12.				
	a	Excess of revenue over expenses and disbursements	<21619571.>			
	b	**Net investment income** (if negative, enter -0-)		0.		
	c	**Adjusted net income** (if negative, enter -0-)			10,109,231.	

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02-02-10 LHA **For Privacy Act and Paperwork Reduction Act Notice, see the instructions.**

9

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	13,468,256.	5,467,638.	5,467,638.
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶ 894,000.			
		Less: allowance for doubtful accounts ▶	1,219,467.	894,000.	894,000.
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock			
	c	Investments - corporate bonds			
	11	Investments - land, buildings, and equipment: basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 7	167,774,951.	154,097,854.	186,665,755.
	14	Land, buildings, and equipment: basis ▶ 1,675,359.			
		Less accumulated depreciation ▶ 799,726.	908,523.	875,633.	875,633.
	15	Other assets (describe ▶ TAXES RECEIVABLE)	73,456.	485,957.	485,957.
	16	**Total assets** (to be completed by all filers)	183,444,653.	161,821,082.	194,388,983.
Liabilities	17	Accounts payable and accrued expenses	4,000.		
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	4,000.	0.	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	183,440,653.	161,821,082.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30	**Total net assets or fund balances**	183,440,653.	161,821,082.	
	31	**Total liabilities and net assets/fund balances**	183,444,653.	161,821,082.	

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	183,440,653.
2	Enter amount from Part I, line 27a	2	<21,619,571.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	161,821,082.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	161,821,082.

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	LT LOSS ON MANAGED ACCOUNTS	P	VARIOUS	VARIOUS
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			9,603,603.	<9,603,603.>
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				<9,603,603.>
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	<9,603,603.>
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	0.

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

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

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 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	12,411,767.	192,632,889.	.064432
2007	12,092,672.	201,987,760.	.059868
2006	13,194,211.	185,081,038.	.071289
2005	9,245,064.	169,336,242.	.054596
2004	4,567,694.	156,916,009.	.029109

2	**Total** of line 1, column (d)	2	.279294
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	.055859
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	183,810,327.
5	Multiply line 4 by line 3	5	10,267,461.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	0.
7	Add lines 5 and 6	7	10,267,461.
8	Enter qualifying distributions from Part XII, line 4	8	10,648,517.

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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1.				
Date of ruling or determination letter: ______ (attach copy of letter if necessary-see 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	0.
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	0.
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	0.
6 Credits/Payments:				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	476,708.		
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	476,708.
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 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	476,708.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶	250,000.	**Refunded** ▶	11	226,708.

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 instructions for definition)?	1b		X
If the answer is "Yes" to **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:			
(1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		X
If "Yes," attach a detailed description of the activities.			
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?	5		X
If "Yes," attach the statement required by General Instruction T.			
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year?	7	X	
If "Yes," complete Part II, col (c), and Part XV.			
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TN,DE			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ WWW.LYNDHURSTFOUNDATION.ORG

14 The books are in care of ▶ FOUNDATION OFFICER - PRESIDENT Telephone no. ▶ 423-756-0767

Located at ▶ 517 EAST FIFTH ST, CHATTANOOGA, TN ZIP+4 ▶ 37403

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 | N/A

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a During the year did the foundation (either directly or indirectly):			
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No			
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		X
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? ☐ Yes ☒ No			
If "Yes," list the years ▶ ______, ______, ______, ______			
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 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. ▶ ______, ______, ______, ______			
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)? ☒ Yes ☐ No

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b** X

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? SEE STATEMENT 9 ☒ 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.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		274,250.	19,448.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
SARAH H. MORGAN	EMPLOYEE 40.00	104,000.	10,437.	0.
MARGARET E STAKELY	EMPLOYEE 40.00	83,097.	8,332.	0.
SARAH C. COX	EMPLOYEE 40.00	72,067.	7,657.	0.

Total number of other employees paid over $50,000 ▶ 0

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
LCG ASSOCIATES - 400 GALLERIA PARKWAY, STE 1800, ATLANTA, GA 30339	FINANCIAL CONSULTANT	218,068.
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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 instructions. 3	
Total. Add lines 1 through 3 ▶	0.

Form **990-PF** (2009)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:				
a	Average monthly fair market value of securities			1a	172,817,098.
b	Average of monthly cash balances			1b	13,792,371.
c	Fair market value of all other assets			1c	
d	**Total** (add lines 1a, b, and c)			1d	186,609,469.
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	186,609,469.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	2,799,142.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	183,810,327.
6	**Minimum investment return.** Enter 5% of line 5			6	9,190,516.

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

1	Minimum investment return from Part X, line 6			1	9,190,516.
2a	Tax on investment income for 2009 from Part VI, line 5	2a			
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	0.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	9,190,516.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	9,190,516.
6	Deduction from distributable amount (see instructions)			6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	9,190,516.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	10,648,517.
b	Program-related investments - total from Part IX-B	1b	0.
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	10,648,517.
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	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	10,648,517.

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

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7					9,190,516.
2 Undistributed income, if any, as of the end of 2009					
a Enter amount for 2008 only				0.	
b Total for prior years: ______, ______, ______			0.		
3 Excess distributions carryover, if any, to 2009:					
a From 2004					
b From 2005	948,202.				
c From 2006	4,448,573.				
d From 2007	2,701,590.				
e From 2008	3,364,589.				
f Total of lines 3a through e		11,462,954.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶$ 10,648,517.					
a Applied to 2008, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required - see instructions)			0.		
c Treated as distributions out of corpus (Election required - see instructions)		0.			
d Applied to 2009 distributable amount					9,190,516.
e Remaining amount distributed out of corpus		1,458,001.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)		0.			0.
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		12,920,955.			
b Prior years' undistributed income. Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions			0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.				0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)		0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7		0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a		12,920,955.			
10 Analysis of line 9.					
a Excess from 2005	948,202.				
b Excess from 2006	4,448,573.				
c Excess from 2007	2,701,590.				
d Excess from 2008	3,364,589.				
e Excess from 2009	1,458,001.				

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

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

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

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

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

NONE

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

NONE

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

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

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

BENIC M. CLARK, III, (423) 756-0767
517 EAST FIFTH STREET, CHATTANOOGA, TN 37403

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

SEE ATTACHED STATEMENT.

c Any submission deadlines:

SEE ATTACHED STATEMENT.

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

SEE ATTACHED STATEMENT.

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* SEE ATTACHED LIST				9634207.
Total			▶ 3a	9634207.
b *Approved for future payment* NONE				
Total			▶ 3b	0.

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
	(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			14	20,671.	
4 Dividends and interest from securities			14	10,127,490.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	<9,603,603.>	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a PASS-THROUGH LOSS			14	<10,983,880.>	
b UBTI INVESTMENTS	900000	<57,386.>			
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		<57,386.>		<10,439,322.>	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 <10,496,708.>

(See worksheet in line 13 instructions 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).
N/A	

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

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

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

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

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

b If "Yes," complete the following schedule.

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

Sign Here

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

Allen L. McCallie | Nov. 11, 2010 | Chairman

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature: Patricia K. Cosgrove | Date: 11/11/10 | Check if self-employed ☐ | Preparer's identifying number: P00025712

Firm's name (or yours if self-employed), address, and ZIP code:
LATTIMORE BLACK MORGAN & CAIN, P.C.
ONE UNION SQUARE, SUITE 700
CHATTANOOGA, TN 37402

EIN ▶

Phone no. (423)756-6585

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization

(Including Information on Listed Property)

▶ See separate instructions ▶ Attach to your tax return.

OMB No 1545-0172

2008

Attachment Sequence No 67

Name(s) shown on return	Business or activity to which this form relates	Identifying number
LYNDHURST FOUNDATION, INC.		

Part I **Election To Expense Certain Property Under Section 179**

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount See the instructions for a higher limit for certain businesses	1	250000 00
2	Total cost of section 179 property placed in service (see instructions)	2	3841 00
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800000 00
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0.00
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	250000 00

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6		0 00	0.00
		0 00	0 00
7	Listed property Enter the amount from line 29	7	0 00

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	0 00
9	Tentative deduction Enter the smaller of line 5 or line 8	9	0 00
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	0 00
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	250000.00
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	0 00
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ▶	13	0 00

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See Instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	1920 50
15	Property subject to section 168(f)(1) election	15	0 00
16	Other depreciation (including ACRS)	16	38002 93

Part III **MACRS Depreciation (Do not include listed property) (See instructions)**

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	0 00
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶☐		

Section B–Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a)	Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property		0 00				0 00
b	5-year property		1478 00	5 0 yrs	HY	200DB	295 60
c	7-year property		442 50	7 0 yrs	HY	200DB	63 22
d	10-year property		0 00				0.00
e	15-year property		0 00				0 00
f	20-year property		0 00				0 00
g	25-year property		0 00	25 yrs		S/L	0.00
h	Residential rental property		0.00	27 5 yrs	MM	S/L	0 00
			0 00	27 5 yrs	MM	S/L	0 00
i	Nonresidential real property		0 00	39 yrs	MM	S/L	0 00
			0.00		MM	S/L	0 00

Section C–Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a	Class life		0 00			S/L	0 00
b	12-year		0 00	12.0 yrs		S/L	0 00
c	40-year		0 00	40 0 yrs	MM	S/L	0 00

Part IV **Summary (See instructions.)**

21	Listed property Enter amount from line 28	21	0 00
22	**Total.** Add amounts from line 12 lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instr.	22	40282 25
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	0 00

KGA For Paperwork Reduction Act Notice, see separate instructions

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A–Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No 24b If "Yes," is the evidence written? ☐ Yes ☐ No

	(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25	Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25	0 00	
26	Property used more than 50% in a qualified business use:								
			%	0 00	0 00			0 00	0.00
			%	0 00	0 00			0 00	0 00
			%	0 00	0 00			0 00	0 00
27	Property used 50% or less in a qualified business use:								
			%	0 00	0 00		S/L -	0.00	
			%	0.00	0 00		S/L -	0 00	
			%	0 00	0.00		S/L -	0 00	
28	Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28	0.00	
29	Add amounts in column (i), line 26 Enter here and on line 7, page 1							29	0 00

Section B–Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year Add lines 30 through 32						

	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C–Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		
Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles*		

Part VI Amortization

	(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42	Amortization of costs that begins during your 2008 tax year (see instructions)					
			0 00			0.00
			0 00			0 00
43	Amortization of costs that began before your 2008 tax year				43	0 00
44	**Total.** Add amounts in column (f) See the instructions for where to report				44	0 00

LYNDHURST FOUNDATION, INC.

CONTRIBUTIONS

2009

> Alabama Forest Resources Center, Mobile, AL Second installment of a two-year pledge for support of statewide land and watershed conservation activities during the 2009 calendar year.	$ 50,000.00
> Allied Arts of Greater Chattanooga, Chattanooga, TN For general support in 2009-2010.	100,000.00
> American Institute of Architects - Chattanooga Chapter, Chattanooga, TN For support of the implementation of the AIA-SDAT community assistance program in Chattanooga during the 2009 calendar year.	7,000.00
> American Institute of Graphic Arts, Chattanooga, TN Support for the Chattanooga Chapter's hospitality event at the 2009 national conference in Portland, Oregon.	3,000.00
> American Planning Association - Tennessee Chapter, Chattanooga, TN For support of the 2009 Conference, held in Chattanooga.	10,000.00
> American Red Cross, Chattanooga, TN Support for the communications and marketing plan.	50,000.00
> American Trails, Redding, CA For support of the 2010 National Trails Symposium, to be held in Chattanooga, Tennessee.	10,000.00
> Amistad Mission, Buford, GA For general support.	10,000.00
> Appalachian Sustainable Agriculture Project, Asheville, NC For support of the Local Food Institute, held in Asheville in 2009.	5,000.00
> Arts and Education Council, Chattanooga, TN For support of the 2009 Conference on Southern Literature.	50,000.00
> Association for Visual Artists, Chattanooga, TN For general support, including $2,500 to be allocated to the Four Bridges Arts Festival Celebration.	40,000.00
> Charleston Junior Golf Foundation, Mount Pleasant, SC Second installment of a four-year pledge in support of the First Tee of Greater Charleston program.	15,000.00
> Chattanooga Area Food Bank, Chattanooga, TN First installment on a two-year pledge, to support the increased demand for delivery of care, services, and outreach due to the downturn in the economy.	50,000.00
> Chattanooga Community Kitchen, Chattanooga, TN First installment on a two-year pledge, to support the increased demand for delivery of care, services, and outreach due to the downturn in the economy.	50,000.00
> Chattanooga Downtown Partnership, Chattanooga, TN Support for the 2009 Pops on the River event.	19,000.00

> Chattanooga Flying Disk Club, Chattanooga, TN Support for the design and installation of a 9-hole golf course for the residents and visitors of the Childrens' Home/Chambliss Center.	$ 3,000.00
> Chattanoooga Neighborhood Enterprise, Chattanooga, TN Support for the development of properties in the Jefferson Heights Neighborhood.	7,200.00
Support of a loan fund for the InnovateHere Project.	300,000.00
> Chattanooga Theatre Centre, Chattanooga, TN For support of Hops and Opera.	1,500.00
> Chiapas Project (The), Dallas, TX For general support.	3,000.00
> Childrens' Home/Chambliss Center, Chattanooga, TN First installment on a two-year pledge, to support the increased demand for delivery of care, services, and outreach due to the downturn in the economy.	50,000.00
> City of Chattanooga, Chattanooga, TN Support for the Urban Canopy and Ecosystem Services Analysis project.	53,000.00
> Coastal Conservation League, Charleston, SC Support for the Lowcountry Conservation Partnership.	160,000.00
> Community Foundation of Greater Chattanooga, Chattanooga, TN Support for the CreateHere Operating Fund.	850,000.00
Underwriting of Outdoor Chattanooga for a variety of cycling and active living projects to enhance transit options, recreational opportunities, and human health.	100,000.00
Support for the "Forces for Good: The Six Practices of High Impact Nonprofits" seminar, conducted by Ms. Leslie Crutchfield in Chattanooga in May of 2009.	1,500.00
Support for the Web Education Summit Fund.	32,500.00
Underwriting for Take Root and support for the coordinator's position and the planting of 400 trees in three Community Impact Neighborhoods – Glenwood, Orchard Knob, and Highland Park.	100,000.00
Support for the St. Andrews Center and the development of a new park in the Highland Park neighborhood.	150,000.00
Support of planning activities and sponsorship for the 2010 River Rocks Fall Festival.	75,000.00
> Community Foundation of Middle Tennessee, Nashville, TN Support for the Tennessee State Collaborative on Reforming Education [SCORE].	50,000.00
> Community Impact of Chattanooga, Chattanooga, TN Third payment on a three-year commitment for general support.	350,000.00

> Consultative Group on Biological Diversity, San Francisco, CA For membership support in 2009 and 2010.	$ 10,000.00
> Coosa River Basin Initiative, Rome, GA Support for the Recreational Outreach Program.	25,000.00
> CreateHere, Chattanooga, TN For operational support.	350,000.00
> Crystal Charity Ball, Dallas, TX For support of the 2009 annual fundraising event and its charitable beneficiaries.	5,000.00
> Cumberland Trail Conference, Crossville, TN For general support in 2009-2010.	30,000.00
> Dallas Center for the Performing Arts, Dallas, TX Support for the grand opening gala.	5,000.00
> Dallas Theater Center, Dallas, TX Support for the production of the world premiere family musical "Sarah, Plain and Tall," based on the Newbery Award-winning children's novel by Patricia MacLachlan.	25,000.00
> Dental Angel Fund Foundation, Chattanooga, TN For support of organizational capacity building	44,000.00
> East Cooper Community Outreach, Mount Pleasant, SC For general support.	4,000.00
> East Side Task Force, Chattanooga, TN Support for neighborhood revitalization activities conducted during a volunteer work day in targeted East Chattanooga neighborhoods.	2,000.00
> Edisto Island Open Land Trust, Edisto Island, SC Support for the 20th anniversary celebration of the ACE Basin Task Force.	5,000.00
> Exchange Club Family Center (The), Memphis, TN For general support during the 2009-2010 fiscal period.	20,000.00
> Foothills Land Conservancy, Maryville, TN Second payment of a three-year pledge for organizational capacity building and strategic conservation planning.	25,000.00
> Friends of the Cumberland Trail, Signal Mountain, TN Support for efforts aimed at increasing the visibility and fiscal strength of the organization, including the Music Heritage Concert Series.	20,000.00
> Friends of Great Smoky Mountains National Park, Kodak, TN In support of trail maintenance and construction projects in conjunction with the commemoration of the park's 75th anniversary.	100,000.00

> Georgia Forestwatch, Ellijay, GA For support of the forest ecologist position, and to advance roadless inventory and wilderness work.	$ 40,000.00
> Georgia Land Trust, Piedmont, AL Support for the Trust's conservation activities within the Ridge and Valley and Cumberland Plateau focus area during the 2009 program year.	55,000.00
> Grounded in Music, Austin, TX For general support.	7,500.00
> Habitat for Humanity, Chattanooga, TN Support for the renovation and expansion of the local ReStore.	88,000.00
> Hunter Museum of American Art, Chattanooga, TN Support for the SEED/Polymer activities held in a variety of Chattanooga locations in March of 2009.	3,000.00
> Land-of-Sky Regional Council, Asheville, NC Support for consulting services as provided by A. Carroll GIS to facilitate completion of the mapping and modeling component of the Linking Lands and Communities project.	20,000.00
> Land Trust Alliance, Raleigh, NC Support for the 2009 regional conference for Southeast U.S. land trusts.	7,500.00
Support to advance land and watershed conservation in the Southern Appalachian region.	35,000.00
> Land Trust for Tennessee (The), Nashville, TN First of two annual installments pledged for support of critical land protection efforts in the South Cumberland and Ridge and Valley focus areas.	150,000.00
> La Paz de Dios, Chattanooga, TN Support for organizational capacity building.	54,000.00
> Lula Lake Land Trust, Lookout Mountain, GA Support to assist the Trust, the Georgia Department of Natural Resources, and other vested stakeholders in completing the physical linkage of the "Cloudland Connector" trail network from Nickajack and Durham Road to the core park property at Cloudland Canyon and to expand recreational use along this corridor.	80,000.00
Underwriting for consulting services as provided by A. Carroll GIS to advance the next phase of planning and construction along the Cloudland Connector trail corridor.	10,000.00
> Matching Contributions: to match Lyndhurst associates' 2008 personal charitable contributions.	51,173.00
> Mid-South Sculpture Alliance, Chattanooga, TN Support for Sculpture Conference 2009, held in Chattanooga in September.	10,000.00
Support for a year-long exhibition of 20 sculptures along the Riverwalk, opened during the September 2009 MSA conference, featuring pieces by members of MSA and members of Chicago Sculpture International.	10,000.00

LYNDHURST FOUNDATION, INC.

CONTRIBUTIONS

2009

> Mountain Goat Trail Alliance, Monteagle, TN Support for consulting expenses in conjunction with development of the Mountain Goat Trail.	$ 15,000.00
> Nature Conservancy (The) - Alabama Chapter, Birmingham, AL Second in a series of two installments pledged to advance implementation of Alabama's Comprehensive Wildlife Conservation Strategy within TNC's Southern Cumberland Mountain project area.	500,000.00
> Nature Conservancy (The) - Tennessee Chapter, Nashville, TN Second in a series of two installments pledged to advance implementation of Tennessee's Comprehensive Wildlife Conservation Strategy through targeted investments aimed at the permanent protection of critical lands and watersheds lying within the Southern Cumberland Plateau and Ridge and Valley provinces.	300,000.00
> New Leaders for New Schools, Memphis, TN Second in a series of three installments pledged for general support in 2009.	25,000.00
> North Chickamauga Creek Conservancy, Hixson, TN For operational support during the 2010 fiscal year.	40,000.00
> Nuçi Phillips Memorial Foundation, Athens, GA Support to sustain the operations and activities of Nuçi's Space.	17,500.00
> Ochs Center for Metropolitan Studies, Chattanooga, TN For general support in 2009.	100,000.00
> Odom School of Ecology, Athens, GA Support for the 2009 EcoFocus Film Festival.	42,500.00
> Open Space Conservancy, New York, NY Completion of a $2.1 million, five-year pledge to advance the implementation of State Wildlife Action Plans and related wildlife and habitat conservation activities in the focus areas of Western North Carolina and Northwest Georgia.	750,000.00
> Open Space Institute, New York, NY For renewed support of the Southern Appalachian Field Coordinator position.	35,000.00
> Polly Boyd Scholarship Fund, Chattanooga, TN Support for the Caddy Scholarship program at The Honors Course.	4,000.00
> Public Education Foundation, Chattanooga, TN Sixth installment of a $6 million, four-year pledge in support of the Middle Schools for a New Society initiative in partnership with the Hamilton County Department of Education.	1,875,000.00
> re:start - The Center for Adult Education, Chattanooga, TN Support for the Can You Pass? awareness campaign.	25,000.00
> RiverCity Company, Chattanooga, TN Support for façade improvements on Martin Luther King Boulevard	60,000.00

> RiverCity Company, Chattanooga, TN ... (continued from page 5) Support for operating expenses of green/spaces.	$124,050.00
Second installment of 2007 grant, for technical support for the expansion of the SimCenter.	6,112.00
For the following programs: $ 6,716.00 streetscape expenses $60,152.00 a green pavilion for Jefferson Heights Park $25,000.00 façade improvements on West Main Street	91,868.00
For the following programs: $ 9,000.00 acquisition on Main Street $175,000.00 improvements on West Main Street	184,000.00
Third and final installment for the BuyIt Downtown program.	38,334.00
> Ronald McDonald House Charities of Chattanooga, Chattanooga, TN For support of Mary's Pantry Fund.	13,000.00
> Salvation Army, Chattanooga, TN Support for the costs for the second phase of the relocation feasibility study.	5,000.00
First installment on a two-year pledge, to support the increased demand for delivery of care, services, and outreach due to the downturn in the economy.	50,000.00
> Second Thought Theatre, Dallas, TX For general support.	2,500.00
> Signal Centers, Chattanooga, TN Support for the expansion and enhancement of the playground facility on Germantown Road.	19,000.00
> Songs for Kids Foundation, Atlanta, GA For general support.	7,500.00
> Southeast Watershed Forum, Nashville, TN Support for the 2009 Southeastern Water Trails Symposium, held in Chattanooga.	5,000.00
> Southern Environmental Law Center, Charlottesville, VA For general support during the 2009 fiscal year.	100,000.00
> Southern Sustainable Agriculture Working Group (SSAWG), Fayetteville, AR For support of the 19th Annual Practical Tools and Solutions for Sustaining Family Farms Conference, to be held in Chattanooga in January of 2010.	10,000.00
> SouthWings, Asheville, NC For support of the Southern Appalachian Forest Campaign during the 2010 calender year.	30,000.00
> Tennessee Aquarium Conservation Institute, Chattanooga, TN Support for a research project to gauge the long-term ecological impacts of the coal ash spill in Kingston, Tennessee.	26,000.00

LYNDHURST FOUNDATION, INC.

CONTRIBUTIONS

2009

> Tennessee Parks and Greenways, Nashville, TN For general support.	$ 50,000.00
> Tennessee Watercolor Society, Cleveland, TN For a cash prize to be awarded in connection with the organization's biennial conference to be held in Chattanooga in 2010.	1,000.00
> Trust for Public Land - Chattanaooga Office, Chattanooga, TN For continued support of the Chattanooga Greenways Initiative.	225,508.00
> University of Georgia Foundation, Athens, GA Support for the Music Business Certificate Program at the Terry College of Business,	50,000.00
> University of Tennessee at Chattanooga, Chattanooga, TN Support for enhanced curriculum and instruction in graphic arts.	25,000.00
First and second installments on a $2 million, two-year pledge for support of the expansion of the SimCenter.	750,000.00
> Urban League of Greater Chattanooga, Chattanooga, TN Support for the 2010 and 2011 STEM Academy.	26,000.00
> Volunteeers in Medicine, Chattanooga, TN First installment on a two-year pledge, to support the increased demand for delivery of care, services, and outreach due to the downturn in the economy.	50,000.00
> WaysSouth, Asheville, NC Support for operating expenses during the 2009-2010 fiscal period.	30,000.00
	$9,755,745.00
(LESS) Refund from Chattanooga Neighborhood Enterprise: From the sale of a property acquired and rehabbed as part of a neighborhood revitalization effort in the M. L. King Neighborhood.	(121,538.29)
TOTAL 2009:	$9,634,206.71

LYNDHURST FOUNDATION

SCHEDULE OF INVESTMENTS

December 31, 2009

	2009	
	Cost	Market Value
MARKETABLE SECURITIES:		
KLEINHEINZ GLOBAL UNDERVAL SEC FUND	8,684,245	10,546,579
THE RAPTOR GLOBAL FUND LTD	1,656,802	314,853
GUGGENHEIM PLUS II	3,532,021	2,249,249
M KINGDON OFFSHORE	2,201,245	11,823,822
MAVERICK FUND	4,451,068	8,326,991
ADVISORY RESEARCH	5,294,232	5,554,998
VIKING GLOBAL EQUITY III, LTD	10,862,939	19,114,369
CITADEL KENSINGTON GLOBAL STRATEGIES	10,401,885	11,490,827
SLOAN ROBINSON GLOBAL FUND-EMERG MKTS	4,739,947	4,650,632
GMO EMERGING MARKETS FUND	6,163,693	4,216,682
OSPRAIE FUND	200,889	307,384
COMMON SENSE SPECIAL OPPORT OFFSH. LTD.	3,992,565	4,012,802
COURAGE SPEC SIT. OFFSH FND LTD	9,811,456	11,088,120
FIR TREE CAPITAL OPPORTUNITY FUND, LTD	7,596,564	6,958,182
SLOAN ROBINSON GLOBAL FUND - ASIA	3,943,386	4,735,421
Subtotal	**83,532,937**	**105,390,911**
LIMITED PARTNERSHIPS:		
SIGULAR GUFF BRIC OPP FUND	3,050,531	3,982,101
PALOMA INTERNATIONAL, LTD	22,180,193	22,194,524
THIRD AVENUE REAL ESTATE OPP FUND	2,945,084	2,289,611
TUDOR FUTURES FUND	7,439,684	7,513,462
AXIOM INTERN'L MICRO-CAP FUND, LP	3,921,706	4,168,419
GOLDMAN SACHS EMERGING MARKETS	90,238	32,903
BLUE RIDGE OFFSHORE LP	5,136,363	13,775,376
HINES/TCW/DEAN WITTER E.M.R.E. DEV	15,134	4,582
FLAG PRIVATE EQUITY	1,365,657	1,709,833
FLAG VENTURE PARTNERS IV	1,328,894	1,530,498
OCM PRINCIPAL OPPORTUNITIES	648,698	795,328
COMMONFUND CAPITAL INT'L PARTNERS IV, LP	2,071,625	2,097,707
COMMONFUND REALTY INVESTORS, LLC	2,495,271	2,106,708
COMMONFUND CAP PRIV EQ PTS V, LP	2,052,323	2,124,329
KENNEDY CAPITAL MGMT SMALL CAP	5,076,486	5,804,307
TCW CREDIT OPP. FUND	6,621,744	7,217,959
ENCAP ENERGY CAP FUND VII-B, LP	1,869,040	1,682,109
TCW SPECIAL CREDITS FUND	7,748	-
WCP REAL ESTATE FUND II, LP	2,248,498	2,245,088
Subtotal	**70,564,917**	**81,274,844**
Total	**154,097,854**	**186,665,755**

Form 990-PF, Part XV, Line 2B-D
Application Submission Information

From January of 2005 through December of 2011, grants will be distributed primarily at the initiative of the Foundation through the cultivation of strategic partnerships with nonprofit organizations that can assist Lyndhurst in the pursuit of its six goals. Potential partners will be invited to collaborate with Foundation staff to develop programs of work, the funds required, the results that should be achieved, and an appropriate means of evaluating progress. The trustees will review these proposals at quarterly board meetings. The Foundation will also award grants on a very limited basis for: 1) local projects that further the Foundation's general mission, but lie beyond the six major goals, and 2) projects that reflect the individual priorities of family trustees who do not live in the Chattanooga area. Requests for funds that pertain to Lyndhurst's mission but not its six primary goals will be reviewed twice a year. Such requests should be limited to three pages with attachments that include:

- a description of the sponsoring organization
- a list of the Board of Directors and staff
- a copy of the organization's annual budget (both income and expenditures)
- an estimated project budget with line items
- a copy of the organization's tax-exempt ruling from the Internal Revenue Service.

Applicants are encouraged to call the office for deadlines and questions regarding eligibility.

Contact information·
Lyndhurst Foundation
517 East Fifth Street
Chattanooga, TN 37403-1826
(423) 756-0767 – Voice
(423) 756-0770 – Fax
www.lyndhurstfoundation.org

FORM 990-PF OTHER INCOME STATEMENT 1

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
PASS-THROUGH LOSS	<10,983,880.>	<10983880.>	<10983880.>
UBTI INVESTMENTS	<57,386.>	0.	<57,386.>
TOTAL TO FORM 990-PF, PART I, LINE 11	<11,041,266.>	<10983880.>	<11041266.>

FORM 990-PF LEGAL FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	23,506.	0.	0.	23,506.
TO FM 990-PF, PG 1, LN 16A	23,506.	0.	0.	23,506.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	29,000.	19,334.	0.	9,666.
TO FORM 990-PF, PG 1, LN 16B	29,000.	19,334.	0.	9,666.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AGENTS' FEES	40,652.	40,652.	0.	0.
INVESTMENT CONSULTANTS	218,068.	218,068.	0.	0.
OTHER CONSULTANTS	20,132.	0.	0.	20,132.
TO FORM 990-PF, PG 1, LN 16C	278,852.	258,720.	0.	20,132.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PERSONALTY TAXES/STORMWATER FEE	230.	0.	0.	230.
TAXES - 990-PF	4,153.	0.	0.	0.
TAXES - 990-T	0.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	4,383.	0.	0.	230.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COMPUTER MAINTENANCE	3,077.	0.	0.	3,077.
DUES AND SUBSCRIPTIONS	43,153.	0.	0.	43,153.
EMPLOYEE INSURANCE	69,142.	0.	0.	69,142.
EQUIPMENT LEASE	4,721.	0.	0.	4,721.
INSURANCE	11,549.	0.	0.	11,549.
MISCELLANEOUS EXP	2,698.	0.	0.	2,698.
OFFICE SUPPLIES	38,021.	0.	0.	38,021.
OTHER PROJECT EXPENSES	84,472.	0.	0.	84,472.
PENSION PLAN EXP	4,172.	0.	0.	4,172.
PRINTING AND REPRODUCTION	982.	0.	0.	982.
PAYROLL TAXES	38,698.	0.	0.	38,698.
REPAIRS & MAINTENANCE	57,917.	0.	0.	57,917.
SECT 125 PLAN EXP	275.	0.	0.	275.
TELEPHONE EXP	11,488.	0.	0.	11,488.
UTILITIES	9,961.	0.	0.	9,961.
TRUSTEES TRAVEL	6,607.	0.	0.	6,607.
IN-TOWN MEETINGS	9,413.	0.	0.	9,413.
STAFF TRAVEL	17,469.	0.	0.	17,469.
[illegible]	15,182.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 23	428,997.	0.	0.	413,815.

FORM 990-PF OTHER INVESTMENTS STATEMENT 7

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
OTHER INVESTMENTS - SEE ATTACHED STMT	COST	154,097,854.	186,665,755.
TOTAL TO FORM 990-PF, PART II, LINE 13		154,097,854.	186,665,755.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 8

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
NELSON D CAMPBELL 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	TRUSTEE 2.00	6,000.	0.	0.
GEORGE R FONTAINE 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	TRUSTEE 2.00	6,000.	0.	0.
MARGARET L GERBER 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	TRUSTEE 2.00	6,000.	0.	0.
KATHERINE L JUETT 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	TRUSTEE 2.00	5,250.	0.	0.
LASLEY THOMAS MONTAGUE 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	TRUSTEE 2.00	8,000.	0.	0.
T CARTTER LUPTON II 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	TRUSTEE 2.00	6,000.	0.	0.
ALLEN L MCCALLIE 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	CHAIRMAN 2.00	6,000.	0.	0.

ALICE L SMITH 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	TRUSTEE 2.00	6,000.	0.	0.
BENIC M CLARK, III 517 EAST FIFTH STREET CHATTANOOGA, TN 37403	PRESIDENT/TREASURER 40.00	225,000.	19,448.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		274,250.	19,448.	0.

FORM 990-PF EXPENDITURE RESPONSIBILITY STATEMENT STATEMENT 9
PART VII-B, LINE 5C

GRANTEE'S NAME

LULA LAKE LAND TRUST

GRANTEE'S ADDRESS

29 MOUNT OLIVE ROAD
LOOKOUT MTN, GA 30750

GRANT AMOUNT	DATE OF GRANT	AMOUNT EXPENDED	VERIFICATION DATE
90,000.	08/10/09	90,000.	12/29/09

PURPOSE OF GRANT

THE FOUNDATION PROVIDED $90,000 TO THE TRUST FOR ASSISTANCE WITH THE DEVELOPMENT OF A MULTIPURPOSE RECREATIONAL TRAIL IN PARTNERSHIP WITH THE GEORGIA DEPARTMENT OF NATURAL RESOURCES. THIS GRANT WAS PAID IN THREE INSTALLMENTS WITH DETAILED GRANT LETTERS AND CONTRACTS ISSUED FOR EACH.

DATES OF REPORTS BY GRANTEE

PERIODIC UPDATES AND REPORTS ON 12/29/2009

ANY DIVERSION BY GRANTEE

NONE

RESULTS OF VERIFICATION

THE FOUNDATION'S PRESIDENT PARTICIPATED IN NUMEROUS PLANNING MEETINGS WITH STAFF FROM BOTH ORGANIZATIONS TO REVIEW DESIGN, BUDGETS, CONSTRUCTION SCHEDULING, ETC. FOR THE TRAIL AND RELATED INFRASTRUCTURE. ADDITIONALLY, STAFF FROM THE FOUNDATION ATTENDED THE GRAND OPENING CELEBRATION FOR PHASE I OF THE PROJECT. TO THE BEST OF THE FOUNDATION'S KNOWLEDGE, NO PORTION OF THE GRANT FUNDS WAS DIVERTED FROM USE FOR THE STATED PURPOSES OF THIS GRANT.

GRANTEE'S NAME

CHATTANOOGA CHAPTER-AMERICAN INSTITUTE OF ARCHITECTS

GRANTEE'S ADDRESS

PO BOX 9261
CHATTANOOGA, TN 37412

GRANT AMOUNT	DATE OF GRANT	AMOUNT EXPENDED	VERIFICATION DATE
7,000.	02/16/09	7,000.	08/24/09

PURPOSE OF GRANT

THE FOUNDATION AWARDED A GRANT TO SUPPORT AN AIA SUSTAINABLE DESIGN ASSESSMENT TEAM VISIONING WORKSHOP FOR THE GREATER CHATTANOOGA REGION. THE SDAT PROGRAM BRINGS TOGETHER MULTIDISCIPLINARY TEAMS OF PROFESSIONALS TO WORK WITH COMMUNITY STAKEHOLDERS AND DECISION-MAKERS IN AN INTENSIVE PLANNING PROCESS. TEAMS ARE COMPOSED OF VOLUNTEER PROFESSIONALS REPRESENTING A RANGE OF EXPERTISE, INCLUDING ARCHITECTS, URBAN DESIGN PROFESSIONALS, ECONOMIC DEVELOPMENT EXPERTS, LAND USE ATTORNEYS, AND OTHERS.

DATES OF REPORTS BY GRANTEE

COPY OF SOUTHEAST TENNESSEE VALLEY SDAT 8/24/2009

ANY DIVERSION BY GRANTEE

NONE

RESULTS OF VERIFICATION

THE FOUNDATION ISSUED A DETAILED GRANT LETTER AND CONTRACT, AND THE FOUNDATION PRESIDENT SERVED ON THE PLANNING GROUP STEERING COMMITTEE AND SERVED AS A HOST FOR THE DESIGN TEAM. TO THE BEST OF THE FOUNDATION'S KNOWLEDGE, NO PORTION OF THE GRANT FUNDS WAS DIVERTED FROM USE FOR THE STATED PURPOSES OF THIS GRANT.