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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

2009

Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning , 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 THE NELSON AND CHARLEEN KEMP FOUNDATION		A Employer identification number 63-0981693
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite ONE FEDERAL PLACE, 1819 5TH AVENUE NORT		B Telephone number 205-487-6492
	City or town, state, and ZIP code BIRMINGHAM, AL 35203		C If exemption application is pending, check here <input type="checkbox"/>
	H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 3,425,692. (Part I, column (d) must be on cash basis)		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(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	100,000.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	44.	44.		STATEMENT 1
	4 Dividends and interest from securities	100,452.	100,452.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-87,522.			
	b Gross sales price for all assets on line 6a	949,657.			
	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	96.	96.		STATEMENT 3	
12 Total Add lines 1 through 11	113,070.	100,592.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	85,008.	21,252.		63,756.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 4	2,300.	575.		1,725.
	c Other professional fees STMT 5	24,565.	24,565.		0.
	17 Interest				
	18 Taxes STMT 6	7,215.	2,350.		4,865.
	19 Depreciation and depletion	738.	0.		
	20 Occupancy	3,600.	900.		2,700.
	21 Travel, conferences, and meetings				
	22 Printing and publications	140.	35.		105.
	23 Other expenses STMT 7	1,634.	272.		1,362.
	24 Total operating and administrative expenses Add lines 13 through 23	125,200.	49,949.		74,513.
	25 Contributions, gifts, grants paid	123,000.			123,000.
26 Total expenses and disbursements. Add lines 24 and 25	248,200.	49,949.		197,513.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-135,130.				
b Net investment income (if negative, enter -0-)		50,643.			
c Adjusted net income (if negative, enter -0-)			N/A		

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	154,035.	102,628.	102,628.
	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 ▶			
	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 STMT 8	869,280.	755,390.	783,601.
	b Investments - corporate stock STMT 9	1,886,730.	1,890,229.	1,995,612.
	c Investments - corporate bonds STMT 10	492,098.	519,504.	540,289.
11 Investments - land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis ▶ 5,166.				
Less: accumulated depreciation STMT 11 ▶ 1,604.	4,300.	3,562.	3,562.	
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	3,406,443.	3,271,313.	3,425,692.	
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			
	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 ▶ <input checked="" type="checkbox"/> X and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted	3,406,443.	3,271,313.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>			
	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	3,406,443.	3,271,313.	
	31 Total liabilities and net assets/fund balances	3,406,443.	3,271,313.	

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	3,406,443.
2 Enter amount from Part I, line 27a	2	-135,130.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	3,271,313.
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	3,271,313.

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 REGIONS MORGAN KEEGAN TRUST		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 949,657.		1,037,179.	-87,522.
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			-87,522.
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	-87,522.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):		3	N/A

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	238,324.	3,545,353.	.067222
2007	263,943.	4,003,112.	.065934
2006	259,642.	3,774,845.	.068782
2005	206,601.	3,634,752.	.056840
2004	205,574.	3,419,803.	.060113

2 Total of line 1, column (d)	2	.318891
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	.063778
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	3,544,626.
5 Multiply line 4 by line 3	5	226,069.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	506.
7 Add lines 5 and 6	7	226,575.
8 Enter qualifying distributions from Part XII, line 4	8	197,513.

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	1,013.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	1,013.
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	1,013.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a 1,730.		
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	1,730.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		8	
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed		9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	717.
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax 717. Refunded		11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) AL		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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? Website address ► N/A	13	X	

14 The books are in care of ► MARY F. HYCHE Telephone no. ► 205-487-1903
Located at ► P.O. BOX 236, WINFIELD, AL ZIP+4 ► 35594

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____ , _____ , _____		
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009) 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

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ 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)?

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.

(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 12		85,008.	0.	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
NONE				

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

0

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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
NONE		

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.

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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	3,491,763.
b	Average of monthly cash balances	1b	103,280.
c	Fair market value of all other assets	1c	3,562.
d	Total (add lines 1a, b, and c)	1d	3,598,605.
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	3,598,605.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	53,979.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,544,626.
6	Minimum investment return. Enter 5% of line 5	6	177,231.

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	177,231.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	1,013.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,013.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	176,218.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	176,218.
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	176,218.

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	197,513.
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	197,513.
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	506.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	197,007.

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				176,218.
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	36,640.			
b From 2005	28,068.			
c From 2006	75,918.			
d From 2007	68,513.			
e From 2008	61,726.			
f Total of lines 3a through e	270,865.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$	197,513.			
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				176,218.
e Remaining amount distributed out of corpus	21,295.			
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:	292,160.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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	36,640.			
9 Excess distributions carryover to 2010 Subtract lines 7 and 8 from line 6a	255,520.			
10 Analysis of line 9:				
a Excess from 2005	28,068.			
b Excess from 2006	75,918.			
c Excess from 2007	68,513.			
d Excess from 2008	61,726.			
e Excess from 2009	21,295.			

N/A

- ▶

☐ 4942(1)(3) or ☐ 4942(1)(5)

- (4) Gross investment income

[illegible]

10

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. | | |

[illegible]

- 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		

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.

Sign Here	Signature of officer or trustee <i>W. J. [Signature]</i>		Date <i>5/17/2010</i>	Title <i>President</i>
	Preparer's signature <i>M. [Signature]</i>	Date <i>5/14/10</i>	Check if self-employed <input type="checkbox"/>	Preparer's identifying number P00309361
Paid Preparer's Use Only	Firm's name (or yours if self-employed) WARREN, AVERETT, KIMBROUGH & MARINO, LLC			EIN 63-1239864
	address and ZIP code 2500 ACTON ROAD BIRMINGHAM, ALABAMA 35243			Phone no. (205) 979-4100

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2009

Name of the organization

Employer identification number

THE NELSON AND CHARLEEN KEMP FOUNDATION**63-0981693**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions
for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization

Employer identification number

THE NELSON AND CHARLEEN KEMP FOUNDATION

63-0981693

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	CHARLEEN KEMP POST OFFICE BOX 683 WINFIELD, AL 35594	\$ 100,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

2009 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1

990-PF

Asset NO	Description	Date Acquired	Method	Life	C o n v	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	COPIER	06/01/07	SL	7.00		HY16	3,200.				3,200.	800.		457.	1,257.
2	COMPUTER	06/01/08	SL	7.00		HY16	1,966.				1,966.	66.		281.	347.
	* TOTAL 990-PF PG 1 DEPR						5,166.				5,166.	866.		738.	1,604.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
CITIZENS BANK	15.
REGIONS BANK	29.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	44.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
REGIONS MORGAN KEEGAN TRUST	100,452.	0.	100,452.
TOTAL TO FM 990-PF, PART I, LN 4	100,452.	0.	100,452.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
TIPS INFLATION ADJUSTMENT	96.	96.	
TOTAL TO FORM 990-PF, PART I, LINE 11	96.	96.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,300.	575.		1,725.
TO FORM 990-PF, PG 1, LN 16B	2,300.	575.		1,725.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEES TO REGIONS BANK	24,565.	24,565.			0.
TO FORM 990-PF, PG 1, LN 16C	24,565.	24,565.			0.

FORM 990-PF	TAXES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
PAYROLL TAXES (EMPLOYER PORTION OF FICA)	6,487.	1,622.			4,865.
FOREIGN TAXES WITHHELD	728.	728.			0.
TO FORM 990-PF, PG 1, LN 18	7,215.	2,350.			4,865.

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
COUNCIL ON FOUNDATIONS MEMBERSHIP	500.	0.			500.
WINFIELD CHAMBER OF COMMERCE	50.	0.			50.
SUPPLIES	579.	145.			434.
MOVING	100.	25.			75.
JANITORIAL	130.	33.			97.
POSTAGE	111.	28.			83.
TELEPHONE	164.	41.			123.
TO FORM 990-PF, PG 1, LN 23	1,634.	272.			1,362.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS		STATEMENT	8
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
MISCELLANEOUS AGENCIES - STMT 25	X		160,221.	169,602.
U.S. GOVERNMENT AGENCIES - STMT 24	X		413,314.	435,429.
TREASURIES - STMT 23	X		181,855.	178,570.
TOTAL U.S. GOVERNMENT OBLIGATIONS			755,390.	783,601.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			755,390.	783,601.

FORM 990-PF	CORPORATE STOCK		STATEMENT	9
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK - STMT 19			1,176,222.	1,254,576.
EQUITY MUTUAL FUNDS - STMT 19			388,432.	393,513.
INTL EQUITY FUNDS - STMT 20			325,575.	347,523.
TOTAL TO FORM 990-PF, PART II, LINE 10B			1,890,229.	1,995,612.

FORM 990-PF	CORPORATE BONDS		STATEMENT	10
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS - STMT 23			519,504.	540,289.
TOTAL TO FORM 990-PF, PART II, LINE 10C			519,504.	540,289.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 11

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
COPIER	3,200.	1,257.	1,943.
COMPUTER	1,966.	347.	1,619.
TOTAL TO FM 990-PF, PART II, LN 14	5,166.	1,604.	3,562.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MARY FRANK HYCHE P.O. BOX 236 WINFIELD, AL 35594	PRESIDENT/CEO 40.00	85,008.	0.	0.
C. E. BRYANT, JR. 180 BRANDY DR. WINFIELD, AL 35594	CHAIRMAN/SECRETARY 3.00	0.	0.	0.
THOMAS N. CARRUTHERS, JR. ONE FEDERAL PLACE, 1819 FIFTH AVENUE, NORTH BIRMINGHAM, AL 35203	TRUSTEE 0.40	0.	0.	0.
BRIAN HENLEY 5741 YEWING WAY GAINSVILLE, VA 20155	TRUSTEE 0.20	0.	0.	0.
KEVIN L. BRADFORD P.O. BOX 446 WINFIELD, AL 35594	TRUSTEE 0.20	0.	0.	0.
CHARLEEN KEMP	0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		85,008.	0.	0.

THE NELSON AND CHARLEEN KEMP FOUNDATION
FORM 990-PF part I, line 25 – CONTRIBUTIONS, GIFTS, GRANTS PAID

63-0981693

DATE	PAYEE	City/State	Amount	Relationship	Status	Purpose	Foundation Status
	Alabama Public Television	Birmingham	AL	5,000.00	None	General	Public Charity
	American Cancer Society	Birmingham	AL	2,000.00	**	General	Public Charity
	Auburn University	Auburn	AL	1,000.00	**	General	Public University
	Bevill State Community College	Jasper	AL	5,000.00	**	General	Public College
	Birmingham Museum of Art	Birmingham	AL	2,000.00	None	General	Public Charity
	Birmingham Southern College	Birmingham	AL	3,000.00	**	General	Private College
	Boy Scouts of America	Winfield	AL	2,000.00	None	General	Public Charity
	Brilliant High School	Brilliant	AL	1,000.00	**	General	Public School
	Brilliant Elementary	Brilliant	AL	1,000.00	None	General	Public School
	Camp Smile A Mile	Birmingham	AL	1,000.00	**	General	Public Charity
	Children's Hospital of Alabama	Birmingham	AL	5,000.00	None	General	Public Charity
	City of Winfield Fire Department	Winfield	AL	3,000.00	None	General	Public Charity
	City of Winfield Police Department	Winfield	AL	3,000.00	None	General	Public Charity
	City of Winfield Street Department	Winfield	AL	3,000.00	None	General	Public Charity
	Eldridge Volunteer Fire Department	Eldridge	AL	2,000.00	None	General	Public Charity
	First United Methodist Church	Winfield	AL	3,000.00	None	General	Public Charity
	Freed-Hardeman University	Hardeman	TN	2,000.00	None	General	Private University
	Friends of the Ivan K Hill Park	Winfield	AL	3,000.00	None	General	Public Charity
	Girl Scouts of America	Winfield	AL	2,000.00	**	General	Public Charity
	Habitat for Humanity	Marion County	AL	5,000.00	**	General	Public Charity
	Hand in Paw	Birmingham	AL	4,000.00	None	General	Public Charity
	Holy Spirit Catholic Church	Winfield	AL	3,000.00	None	General	Public Charity
	Hospice of Northwest Alabama	Winfield	AL	3,000.00	None	General	Public Charity
	Hubbertville High School	Fayette	AL	10,000.00	None	General	Public School
	Hubbertville High School	Fayette	AL	4,000.00	None	General	Public School
	Kemp Carraway Heart Institute	Atlanta	GA	10,000.00	None	General	Public Charity
	Marion County Drug Task Force	Marion County	AL	2,000.00	**	General	Public Charity
	Marion County High School	Marion County	AL	2,000.00	**	General	Public School
	Marion County Historical Society	Marion County	AL	5,000.00	None	General	Public Charity
	Mississippi State University	Starkville	MS	1,000.00	**	General	Public University
	Northwest Alabama Art Council	Marion County	AL	3,000.00	None	General	Public University
	Northwest Alabama Kidney Foundation	Birmingham	AL	2,000.00	None	General	Public Charity
	Northwest Regional Library	Winfield	AL	1,000.00	None	General	Public Charity
	Quinns Ranch	Red Bay	AL	1,000.00	**	General	Public Charity
	Ronald Mc Donald House	Birmingham	AL	2,000.00	None	General	Public Charity
	Studio By The Tracks	Birmingham	AL	3,000.00	None	General	Public Charity
	St. Jude Children's Research Hospital	Memphis	TN	5,000.00	None	General	Public Charity
	The University of Alabama	Tuscaloosa	AL	1,000.00	**	General	Public Charity
	The University of Alabama at Birmingham	Birmingham	AL	1,000.00	**	General	Public University
	UAB Health Management - Leukemia	Birmingham	AL	3,000.00	None	General	Public Charity
	University of North Alabama	Florence	AL	1,000.00	**	General	Public University
	University of West Alabama	Livingston	AL	1,000.00	**	General	Public University
	Wallace State Community College	Hanceville	AL	1,000.00	**	General	Public University
			123,000.00				

** Approved for payment in prior years

THE NELSON AND CHARLEEN KEMP FOUNDATION
FORM 990, PART XV -- APPROVED FOR FUTURE PAYMENTS

63-0981693

PAYEE	City	State	Amount	Relationship	Status	Purpose	Foundation Status
Area Scholarship Program	Winfield	AL	15,000.00	None	509(A)(1)	General	Public Charity
Birmingham Southern College	Birmingham	AL	3,000.00	None	509(A)(1)	General	Private College
Brilliant High School	Brilliant	AL	4,000.00	None	509(A)(1)	General	Public School
Camp Smile a Mile	Birmingham	AL	1,000.00	None	509(A)(1)	General	Public Charity
American Cancer Society	Winfield	AL	2,000.00	None	509(A)(1)	General	Public Charity
Friends of Ivan K Hill Park	Winfield	AL	5,000.00	None	509(A)(1)	General	Public Charity
Habitat for Humanity - Marion County	Marion	AL	5,000.00	None	509(A)(2)	General	Public Charity
Holy Spirit Catholic Church	Winfield	AL	12,000.00	None	509(A)(1)	General	Public Charity
Hubberville High School	Fayette	AL	10,000.00	None	509(A)(1)	General	Public School
Kiwanis - Just us Kidz	Winfield	AL	2,500.00	None	509(A)(1)	General	Public Charity
Marion County Drug Task Force	Marion County	AL	2,000.00	None	509(A)(1)	General	Public Charity
Marion County Schools	Marion County	AL	2,000.00	None	509(A)(1)	General	Public School
Park Valley Church	Manassas Park	VA	5,000.00	None	509(A)(1)	General	Public Charity
Quinn's Children's Ranch	Winfield	AL	1,000.00	None	509(A)(1)	General	Public Charity
Sacred Heart Elementary School	Cullman	AL	4,000.00	None	509(A)(1)	General	Private School
Winfield Pastime Theatre	Winfield	AL	25,000.00	None	509(A)(1)	General	Public Charity
Winfield City Schools	Winfield	AL	10,000.00	None	509(A)(1)	General	Public School
			108,500.00				
Area Scholarship Program approved 2006 & 2007 but not paid	Winfield, AL		3,000.00	None	509(A)(1)	General	
			111,500.00				

ACCOUNT STATEMENT

ACCOUNT NUMBER 1055000717

DECEMBER 31, 2009

DETAIL LISTING OF INCOME ASSETS

DESCRIPTION	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	CURRENT YIELD
CASH AND EQUIVALENTS				
999990146 REGIONS TRUST MONEY MARKET DEPOSIT ACCOUNT	6,639.33	6,639.33	1.99 0.17	0.03
TOTAL CASH AND EQUIVALENTS	6,639.33	6,639.33	1.99 0.17	0.03
TOTAL INCOME ASSETS	6,639.33	6,639.33	1.99 0.17	0.03

DETAIL LISTING OF PRINCIPAL ASSETS

DESCRIPTION	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	CURRENT YIELD
CASH AND EQUIVALENTS				
999990146 REGIONS TRUST MONEY MARKET DEPOSIT ACCOUNT	45,639.26	45,639.26	13.69 1.14	0.03
TOTAL CASH AND EQUIVALENTS	45,639.26	45,639.26	13.69 1.14	0.03

DESCRIPTION	TICKER	SHARES	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	CURRENT YIELD
EQUITIES						
COMMON STOCK						
00206R102 AT&T INC	T	875 000	24,528 25	34,894 74	1,470.00	5 89
002824100 ABBOTT LABS	ABT	450.000	24,295 50	24,435 00	720.00	2 86
009158108 AIR PRODS & CHEMS INC	APD	321 000	26,020 26	19,921 74	577 80 144 45	2 22
018490102 ALLERGAN INC	AGN	440 000	27,724 40	17,935 06	88 00	0 32
086516101 BEST BUY INC	BBY	500.000	19,730 00	20,134 10	280 00 70 00	1 42
126850100 CVS/CAREMARK CORPORATION	CVS	825 000	26,573 25	29,733 00	251 63	0 95
186764100 CHEVRON CORP	CVX	370 000	29,486 30	13,479 10	1,006 40	3 53
17275R102 CISCO SYSTEMS INC	CSCO	1,290.000	30,882 60	25,335 60		
177376100 CITRIX SYSTEM INC	CTXS	570.000	23,717 70	17,311.81		

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	TICKER	SHARES	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	CURRENT YIELD
COMMON STOCK						
237194105 DARDEN RESTAURANTS INC	DRI	500 000	17,535 00	19,219 55	500.00	2 85
25179M103 DEVON ENERGY CORP	DVN	300 000	22,050 00	29,972 46	192.00	0.87
254687108 WALT DISNEY CO	DIS	1,140 000	36,765.00	29,259 71	399.00 399.00	1 09
268648102 E M C CORP MASS	EMC	1,600 000	27,952 00	18,009 50		
278058102 EATON CORP	ETN	263 000	16,732 06	25,260 25	526 00	3 14
30161N101 EXELON CORP	EXC	400 000	19,548 00	30,988 00	840 00	4 30
30231G102 EXXON MOBIL CORP	XOM	400 000	27 276.00	32,624 00	672 00	2 46
38141G104 GOLDMAN SACHS GROUP INC	GS	181 000	30,560 04	31,574 18	253 40	0 83
406216101 HALLIBURTON CO	HAL	562 000	16,910 58	28,007 38	202 32	1 20
42809H107 HESS CORPORATION	HES	415 000	25,107 50	23,734 06	166 00 41.50	0.66
428236103 HEWLETT-PACKARD CO	HPQ	650 000	33,481 50	12,103 00	208 00 52.00	0 62
458140100 INTEL CORP	INTC	1,574 000	32,109 60	33,735 51	881 44	2.75
46625H100 J P MORGAN CHASE & CO	JPM	765 000	31,877 55	28,506 20	153 00	0.48
478160104 JOHNSON & JOHNSON	JNJ	400 000	25,764 00	19,117 90	784 00	3.04
48203R104 JUNIPER NETWORKS INC	JNPR	1,200 000	32,004 00	30,204 00		

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	TICKER	SHARES	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	CURRENT YIELD
COMMON STOCK						
594918104 MICROSOFT CORP	MSFT	1,120 000	34,137 60	25,676.54	582.40	1 71
61166W101 MONSANTO CO NEW	MON	230 000	18,802 50	16,720 59	243 80	1 30
655844108 NORFOLK SOUTHERN CORP	NSC	523 000	27,415 65	34,340 50	711 28	2 59
68388X105 ORACLE CORPORATION	ORCL	1,400 000	34,342 00	30,334 48	280 00	0 82
713448108 PEPSICO INC	PEP	465 000	28,272.00	20,536 70	837.00 209 25	2 86
742718109 PROCTER & GAMBLE CO	PG	450 000	27,283.50	23,826.11	782.00	2 90
744320102 PRUDENTIAL FINANCIAL INC	PRU	437.000	21,745 12	38,092 27	305.80	1 41
747525103 QUALCOMM INC	QCOM	850 000	39,321 00	30,405 04	578 00	1 47
770323103 ROBERT HALF INTL INC	RHI	603 000	24,137 19	19,991 43	433 44	1 80
808857108 SCHLUMBERGER LTD	SLB	370 000	24,083 30	15,630 65	310 80 77.70	1 29
857477103 STATE STREET CORP	STT	480 000	20,899 20	20 139 12	19 20 4 80	0 09
863667101 STRYKER CORP	SYK	500 000	25,185 00	22,268 34	300 00 75 00	1 19
883558102 THERMO FISHER SCIENTIFIC, INC	TMO	670 000	31,852 30	34,186 55		
88578Y101 3M CO	MMM	420 000	34,721.40	26 770 10	856 80	2 47
886547108 TIFFANY & CO	TIF	700 000	30,100 00	20,449 10	476 00 119 00	1 58

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	TICKER	SHARES	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	CURRENT YIELD
COMMON STOCK						
89417E109 TRAVELERS COMPANIES, INC	TRV	760 000	37,893.60	30,045.50	1,003.20	2.65
913017109 UNITED TECHNOLOGIES CORP	UTX	540 000	37,481.40	27,880.20	831.60	2.22
92343V104 VERIZON COMMUNICATIONS	VZ	700 000	23,191.00	23,608.45	1,330.00	5.73
931142103 WAL MART STORES INC	WMT	400 000	21,380.00	19,092.00	438.00 109.00	2.04
931422109 WALGREEN CO	WAG	870 000	31,946.40	31,181.72	478.50	1.50
949746101 WELLS FARGO & CO	WFC	1,089 000	29,392.11	39,446.08	217.80	0.74
98385X106 XTO ENERGY CORP	XTO	500 000	23,265.00	30 106.50	250.00 62.50	1.07
TOTAL COMMON STOCK		SUB- TOTAL	1,254,576.37	1,176,221.82	21,444.71 1,384.20	1.71
EQUITY MUTUAL FUNDS						
88381F409 OPPENHEIMER MAIN ST SMALL CAP FD CL Y	OPMYX	8,350 411	145,297.15	129,846.01	693.08	0.48
72387T108 PIONEER SMALL CAP GROWTH FUND CLASS A FD #0044	ORIGX	3,361 254	75,560.99	82,588.00		
72387T793 PIONEER SELECT MID CAP GROWTH Y	PMTYX	10,204 082	152,448.99	160,000.00		
74972H614 RS VALUE FUND-Y	RSVYX	977 996	20,205.40	16,000.01	38.19	0.18
TOTAL EQUITY MUTUAL FUNDS		SUB- TOTAL	393,512.53	388,432.02	729.27 0.00	0.19
INTERNATIONAL						
29875E100 AMERICAN EUROPACIFIC GRTH-F2	AEAFX	5,063 302	183,975.10	150,000.01	3,688.08 307.17	1.90
552983470 MFS RESH INTL FD CL I	MRSIX	8,368 680	119,839.50	149,632.01	1,916.43	1.60

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	TICKER	SHARES	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	CURRENT YIELD
INTERNATIONAL						
881624209 TEVA PHARMACEUTICAL INDS SPONS ADR ONE ADR REPRS ONE ORD SHARE	TEVA	600 000	33,708.00	25,943.34	289.20	0.86
TOTAL INTERNATIONAL		SUB- TOTAL	347,522.60	325,575.36	5,891.71 307.17	1.70
TOTAL EQUITIES			1,995,611.50	1,890,229.20	28,065.69 1,671.37	1.41

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	RATING	PAR VALUE	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	YIELD CURRENT/ MATURITY
FIXED CORPORATES						
00206RAM4 AT&T INC DTD 05/13/08 5.6% 05/15/2018	A2	14,000 000	14,671 44	14,005 34	784 00 100 18	5.34 4 89
002824AU4 ABBOTT LABS DTD 3/3/09 5.125% 04/01/2019	A1	14,000 000	14,643 58	13,952 74	717.50 179 38	4.90 4 51
05565QBF4 BP CAPITAL MARKETS PLC NORMAL 5.25% 11/07/2013	Aa1	13,000 000	14,159 99	12,991 55	682.50 102 38	4 82 2.79
126650BR0 CVS/CAREMARK CORPORATION DTD 9/11/09 8.125% 09/15/2039	Baa2	15,000 000	14,866 50	15,246 15	918.75 280 73	6 18 6.19
149123BQ3 CATERPILLAR INC DTD 12/05/08 7.9% 12/15/2018	A2	12,000 000	14,639 16	11,980 88	948.00 42 13	6 48 4 84
17313YAJ0 CITIGROUP INC FDIC GUARANTEED DTD 08/06/2009 2.25% 12/10/2012	Aaa	70,000 000	70,549 50	71,345 40	1,575.00 91 88	2 23 1 87
20030NAZ4 COMCAST CORP DTD 06/18/09 5.7% 07/01/2019	Baa1	14,000 000	14,686 56	14,154 98	798.00 427 82	5 43 5 04
20825CAQ7 CONOCOPHILLIPS DTD 2/3/09 6.5% 02/01/2039	A1	13,000 000	14,427 92	12,686 86	845.00 352 08	5.88 5 72
22546QAA5 CREDIT SUISSE NEW YORK DTD 5/4/09 5.5% 05/01/2014	Aa1	14,000 000	15,192 80	14,243 72	770.00 128.33	5 07 3 37
264398DW3 DUKE ENERGY CORP CALLABLE 6.25% 01/15/2012	A3	13,000 000	14,054 56	14,121 28	812.50 372 40	5 78 2 16
369604AY9 GENERAL ELECTRIC CO 5% 02/01/2013	Aa2	27,000 000	28,564 92	27,693 06	1,350.00 582.50	4 73 3 02
38141EA33 GOLDMAN SACHS GROUP INC DTD 5/6/09 6% 05/01/2014	A1	14,000 000	15,312 78	14,299 17	840.00 140.00	5.49 3 64
40429CCV2 HSBC FINANCE CORP 4.825% 09/15/2010	A3	14,000 000	14,347 48	13,801 14	847.50 190 65	4.51 1.08
42809HAB3 HESS CORPORATION DTD 2/3/09 8.125% 02/15/2019	Baa2	12,000 000	14,471 52	14,305 58	975.00 368.33	8.74 5 25
46625HHL7 J P MORGAN CHASE & CO DTD 04/23/09 8.3% 04/23/2019	Aa3	13,000 000	14,301 04	12,897 28	819 00 152 43	5 73 4 94

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	RATING	PAR VALUE	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	YIELD CURRENT/ MATURITY
CORPORATES						
487836AZ1 KELLOGG CO DTD 12/03/07 5.125% 12/03/2012	A3	14,000 000	15,193 64	14,060 59	717 50 55 81	4 72 2 10
58013MEE0 MCDONALDS CORP SERIES. MTN DTD 02/29/08 5 35% 03/01/2018	A3	14,000 000	15,011 08	14,246 68	749 00 247 59	4 89 4 29
58018YN64 MERRILL LYNCH & CO INC SERIES: MTN DTD 04/25/08 6 875% 04/25/2018	A2	14,000 000	15,084 16	13,949 04	982.50 176 46	6 38 5 69
61746SBS7 MORGAN STANLEY 5 05% 01/21/2011	A2	14,000 000	14,520.66	13,859 22	707.00 314 22	4 87 1 49
61747YCJ2 MORGAN STANLEY SERIES. MTN DTD 8/23/09 5 625% 08/23/2019	A2	15,000 000	15,109 65	15,050 25	843.75 229.69	5 58 5 53
68389XAC9 ORACLE CORPORATION DTD 04/09/08 5.75% 04/15/2018	A2	14,000 000	15,136 66	13,993 42	805.00 169 94	5 32 4 56
713448BJ6 PEPSICO INC DTD 10/24/08 7 9% 11/01/2018	Aa2	12,000 000	14,727 00	13,293 48	948 00 155 37	6 44 4.72
71645WAP6 PETROBRAS INTL FIN CO DTD 10/30/09 5 75% 01/20/2020	Baa1	14,000 000	14,242 06	13,987 54	805 00 136.40	5 65 5 52
717081CZ4 PFIZER INC DTD 3/24/09 4 45% 03/15/2012	A1	14,000 000	14,807 10	14,080.66	623 00 183 44	4 21 1.77
86787GAB8 SUNTRUST BANK ATLANTA 6.375% 04/01/2011	A3	14,000 000	14,551.48	15,670 54	892.50 223 13	6.13 3 13
87425EAL7 TALISMAN ENERGY INC DTD 6/1/09 7.75% 08/01/2019	Baa2	13,000 000	15,267 33	15,253 94	1,007.50 83.86	6 60 5 37
87612EAP1 TARGET CORP CALLABLE 5 375% 05/01/2017	A2	14,000 000	15,023 98	13,545 59	752 50 125 42	5 01 4 20
88732JAL2 TIME WARNER CABLE 6 75% 07/01/2018	Baa2	13,000 000	14,281 28	14,252 59	677 50 438 75	6 14 5 30
89417EAD1 TRAVELERS COMPANIES, INC CALLABLE SERIES MTN 6 25% 06/15/2037	A2	13,000 000	13,742 30	12,652 52	812 50 38.11	5 91 5 83
90333WAA6 US BANK NA 6 375% 08/01/2011	Aa2	14,000.000	15,049 72	15,490 10	892 50 371.88	5 93 1 56

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	RATING	PAR VALUE	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	YIELD CURRENT/ MATURITY
CORPORATES						
92343VAC8 VERIZON COMMUNICATIONS 5.55% 02/15/2018	A3	14,000 000	15,082.00	14,128 00	777.00 293 53	5.15 4 10
929903DT6 WACHOVIA CORP DTD 06/08/07 5.75% 08/15/2017	A1	14,000 000	14,559 44	14,166 88	805.00 35.78	5.53 5 10
TOTAL CORPORATES		SUB-TOTAL	540,289.25	519,504.13	27,480.50 8,768.70	5.08
TREASURIES						
912810EQ7 UNITED STATES TREASURY 8.25% 08/15/2023	Aaa	12,000 000	14,332 56	14,019 07	750 00 281.25	5 23 4 34
912810PW2 UNITED STATES TREASURY N/B DTD 02/15/08 4.375% 02/15/2038	Aaa	14,000 000	13,440 00	15,550 55	812.50 229.69	4 56 4.63
912828JE1 UNITED STATES TREASURY INFLATION INDEX BOND DTD 07/15/08 1.375% 07/15/2018	Aaa	71,174 660	71,319 14	72,394 89	978 65 449.44	1 37 1 35
912828MM9 UNITED STATES TREASURY N/B DTD 11/30/09 .75% 11/30/2011	Aaa	80,000 000	79,478 40	79,890 63	600.00 51 10	0.75 1 10
TOTAL TREASURIES		SUB-TOTAL	178,570.10	181,855.14	2,941.15 1,011.48	1.65
AGENCIES						
24424DAA7 JOHN DEERE CAPITAL CORP INSD: FDIC DTD 12/19/08 2.875% 06/19/2012	Aaa	42,000 000	43,280 16	42,344 52	1,207 50 40 25	2 79 1.61
31359MH89 FEDERAL NATIONAL MORTGAGE ASSN 5% 03/15/2016	Aaa	26,000 000	28,258 88	26,603 72	1,300.00 382.78	4.60 3 43
31402C4H2 FEDERAL NATL MTGE ASSN POOL #725424 DTD 04/01/04 5.5% 04/01/2034	**	71,816 870	75,482 40	71,491 48	3,949.83 329.16	5 23 3 27
31402DDB3 FEDERAL NATIONAL MORTGAGE ASSN POOL #725588 5.5% 07/01/2034	**	10,189 260	10,709 32	10,098 50	560.41 48 70	5 23 3 28
31403CXG1 FEDERAL NATIONAL MORTGAGE ASSN POOL #745079 DTD 11/01/05 5% 12/01/2020	**	38,468 310	38,330 38	35,231 80	1,823.42 151.85	4 76 2 55

** Rating Not Available

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	RATING	PAR VALUE	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	YIELD CURRENT/ MATURITY
AGENCIES						
31408DA87 FEDERAL NATIONAL MTG ASSN POOL #847931 5% 12/01/2020	**	7,078.790	7,438.13	7,028.69	353.84 29.49	4.76 2.55
31408HSS5 FEDERAL NATL MTG ASSN POOL #852029 6% 01/01/2036	**	12,743.190	13,559.52	12,918.42	764.59 63.72	5.64 3.09
31410FSS5 FEDERAL NATIONAL MORTGAGE ASSN POOL #888029 6% 12/01/2036	**	41,535.590	44,118.69	41,847.11	2,492.14 207.68	5.65 3.18
31410GJW4 FEDERAL NATIONAL MORTGAGE ASSN POOL #888677 5 5% 08/01/2022	**	39,980.840	42,344.50	39,817.24	2,197.85 183.15	5.19 2.79
31412XV35 FEDERAL NATL MTG ASSN POOL #938134 DTD 08/01/07 6% 07/01/2037	**	35,352.150	37,500.85	35,722.28	2,121.13 176.76	5.66 3.24
31413YRR4 FEDERAL NATIONAL MORTGAGE ASSN POOL #959596 DTD 11/01/07 6% 11/01/2037	**	47,808.260	50,714.05	48,144.41	2,868.50 239.04	5.66 3.24
880591DT6 TENNESSEE VALLEY AUTHORITY SER A PUTABLE 6 79% 05/23/2012	Aaa	39,000.000	43,692.09	42,066.05	2,648.10 279.52	6.08 1.64
TOTAL AGENCIES			SUB- TOTAL			
			435,428.97	413,314.20	22,287.41 2,130.20	5.12
MISCELLANEOUS						
31283K6E3 FEDERAL HOME LOAN MORTGAGE CORP POOL #G11789 DTD 08/01/05 5% 10/01/2020	**	7,358.460	7,734.36	7,142.66	367.82 30.65	4.76 2.56
3128M1PU7 FEDERAL HOME LOAN MTG CORP POOL #G12335 5% 05/01/2021	**	49,113.650	51,636.62	48,564.94	2,455.68 204.64	4.76 2.56
3128M4SU8 FEDERAL HOME LOAN MTG CORP POOL #G02931 6% 04/01/2037	**	48,597.740	49,495.65	48,990.91	2,795.86 232.99	5.65 3.22
3128M5K58 FEDERAL HOME LOAN MORTGAGE CORP POOL #G03616 DTD 11/01/07 6% 12/01/2037	**	32,632.140	34,661.53	32,983.94	1,957.93 163.16	5.65 3.22
3128MBB48 FEDERAL HOME LOAN MTG CORP POOL #G12559 5% 09/01/2021	**	8,573.580	9,014.00	8,442.30	428.68 35.72	4.76 2.56

** Rating Not Available

DETAIL LISTING OF PRINCIPAL ASSETS (CONTINUED)

DESCRIPTION	RATING	PAR VALUE	MARKET VALUE	TAX COST	EST ANNUAL INCOME/ ACCRUED INC	YIELD CURRENT/ MATURITY
MISCELLANEOUS						
3128MBC62 FEDERAL HOME LOAN MTG CORP POOL #G12583 DTD 02/01/07 5% 09/01/2021	**	10,397 530	10,931 65	10,303 29	519 88 43 32	4 78 2 58
3128PHP28 FEDERAL HOME LN MTG CORP POOL #J05840 5% 01/01/2021	**	5,829 150	6,128 59	5,782 73	291.48 24.29	4.78 2 58
TOTAL MISCELLANEOUS			SUB- TOTAL		8,817.31 734.77	5.20
TOTAL FIXED			1,323,890.72	1,274,894.24	61,506.37 10,845.15	4.65
TOTAL PRINCIPAL ASSETS			3,365,141.48	3,210,762.70	89,585.75 12,317.66	2.68

** Rating Not Available