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Form **990-PF**

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

OMB No. 1545-0052

2009Department 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

April 1

, 2009, and ending

March 31

, 20

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G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name changeUse the IRS
label.
Otherwise,
print
or type.
See Specific
Instructions.

Name of foundation

Randleigh Foundation

Number and street (or P.O. box number if mail is not delivered to street address)

P. O. Box 4150

City or town, state, and ZIP code

Chapel Hill, NC 27515

A Employer identification number

13-6207897

B Telephone number (see page 10 of the instructions)

919.967.0618

H Check type of organization:

☐ Section 501(c)(3) exempt private foundation☒ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundationI Fair market value of all assets at
end of year (from Part II, col. (c),
line 16) ▶ \$

18,681,940

J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify) _____

(Part I, column (d) must be on cash basis.)

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 . . . ▶ ☐**Part I**Analysis of Revenue and Expenses (The total of
amounts in columns (b), (c), and (d) may not necessarily equal
the amounts in column (a) (see page 11 of the instructions).)

(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B			
3 Interest on savings and temporary cash investments	8.61	8.61	8.61
4 Dividends and interest from securities	371,324.76	371,324.76	371,324.76
5a Gross rents			
b Net rental income or (loss)			
6a Net gain or (loss) from sale of assets not on line 10	146,958.12		
b Gross sales price for all assets on line 6a			
7 Capital gain net income (from Part IV, line 2)		146,958.12	
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) (attach schedule)			
11 Other income (attach schedule)	2,665.95	2,665.95	
12 Total. Add lines 1 through 11	520,957.44	520,957.44	
13 Compensation of officers, directors, trustees, etc.			
14 Other employee salaries and wages			
15 Pension plans, employee benefits			
16a Legal fees (attach schedule)	3,425.00		3,425.00
b Accounting fees (attach schedule)	12,000.00		12,000.00
c Other professional fees (attach schedule)	10,601.47	10,601.47	
17 Interest			
18 Taxes (attach schedule) (see page 14 of the instructions)	6,998.91	6,451.35	
19 Depreciation (attach schedule) and depletion			
20 Occupancy			
21 Travel, conferences, and meetings			
22 Printing and publications			
23 Other expenses (attach schedule)	815.00		815.00
24 Total operating and administrative expenses. Add lines 13 through 23	33,840.38	17,052.82	16,240.00
25 Contributions, gifts, grants paid	850,000.00		850,000.00
26 Total expenses and disbursements. Add lines 24 and 25	883,840.38	17,052.82	866,240.00
27 Subtract line 26 from line 12:			
a Excess of revenue over expenses and disbursements	-362,882.94		
b Net investment income (if negative, enter -0-)		503,904.62	
c Adjusted net income (if negative, enter -0-)			

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Operating and Administrative Expenses

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

Cat. No. 11289X

Form **990-PF** (2009)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	21,668.00	4,880.36	4,880.36
	2	Savings and temporary cash investments	889,418.00	599,258.73	599,266.54
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	13,267,201.00	13,834,445.32	18,077,793.14
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶			
Liabilities		Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ TC Pipelines)	623,181.00		
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	14,801,468.00	14,438,584.41	18,681,940.04
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
Net Assets or Fund Balances	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ Basis Adj.)35
	23	Total liabilities (add lines 17 through 22)			
		Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	2,000,000.00	2,000,000.00	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	12,801,467.00	12,438,584.06	
	30	Total net assets or fund balances (see page 17 of the instructions)	14,801,467.00	14,438,584.06	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	14,801,467.00	14,438,584.06	

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	14,801,467.00
2	Enter amount from Part I, line 27a	2	-362,882.94
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	14,438,584.06
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	14,438,584.06

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	20000 Units TC Pipelines	P	7/1/2008	9/21/2009
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	741,438.92	594,480.80	146,958.12	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(j) F.M.V. as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col. (j) over col. (k), if any		
a				
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	146,958.12
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) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.			
(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	1,016,334.00	17,537,823.00	0.057951
2007	1,011,873.00	21,699,095.00	0.046632
2006	953,634.05	20,824,307.98	0.045794
2005	946,775.19	20,164,251.11	0.046953
2004	888,551.79	19,192,183.58	0.046298
2	Total of line 1, column (d)		2 0.243628
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3 0.048700
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5		4 16,731,362.82
5	Multiply line 4 by line 3		5 814,817.37
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 5,039.05
7	Add lines 5 and 6		7 819,856.42
8	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.		8 866,240.00

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	5,039	05
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2		
3 Add lines 1 and 2		3	5,039	05
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4		
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	5,039	05
6 Credits/Payments:				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	14039	00	
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	14,039	00	
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	8,999	95	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax	11	8,999	95	
	Refunded			

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?		<input checked="" type="checkbox"/>
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		<input checked="" type="checkbox"/>
c Did the foundation file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		<input checked="" type="checkbox"/>
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes.</i>		<input checked="" type="checkbox"/>
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		<input checked="" type="checkbox"/>
b If "Yes," has it filed a tax return on Form 990-T for this year?		<input checked="" type="checkbox"/>
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		<input checked="" type="checkbox"/>
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?	<input checked="" type="checkbox"/>	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	<input checked="" type="checkbox"/>	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ _____		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	<input checked="" type="checkbox"/>	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>		<input checked="" type="checkbox"/>
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		<input checked="" type="checkbox"/>

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 page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	✓	
14	The books are in care of ► Thomas S. Kenan, III Telephone no. ► 919.967.0618 Located at ► 100 Europa Drive, Suite 525, Chapel Hill, NC ZIP+4 ► 27514			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. and enter the amount of tax-exempt interest received or accrued during the year ► 15			✓

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1c	✓
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b**Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

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

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? **7b****Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Attached Schedule				

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

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

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

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

Part IX-A Summary of Direct Charitable Activities

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

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

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	16,964,236.40
b	Average of monthly cash balances	1b	21,918.75
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	16,986,155.15
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	16,986,155.15
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	254,792.33
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	16,731,362.82
6	Minimum investment return. Enter 5% of line 5	6	836,568.14

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

1	Minimum investment return from Part X, line 6	1	836,568.14
2a	Tax on investment income for 2009 from Part VI, line 5	2a	5,039.05
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	5,039.05
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	831,529.09
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	831,529.09
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	831,529.09

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	866,240.00
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	866,240.00
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	5,039.05
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	861,200.95

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

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

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				831,529.09
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only			862,057.00	
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e				
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 866,240.00				
a Applied to 2008, but not more than line 2a			862,057.00	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2009 distributable amount				4,183.00
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				827,346.09
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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

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

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2009	(b) 2008	(c) 2007	(d) 2006	
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 $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed				
c "Support" alternative test—enter:				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

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

1 Information Regarding Foundation Managers:

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

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

Part XV **Supplementary Information (continued)****3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i> See Attached Schedule				
Total				3a
b <i>Approved for future payment</i>				
Total				3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions.)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue:					
a	_____					
b	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	8.61	
4	Dividends and interest from securities			14	371,324.76	
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	146,958.12	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a <u>Class Action</u>			14	2,665.95	
b	_____					
c	_____					
d	_____					
e	_____					
12	Subtotal. Add columns (b), (d), and (e)					
13	Total. Add line 12, columns (b), (d), and (e)				13	520,957.44

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

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

[illegible]

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		✓
	(2) Other assets		✓
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization		✓
	(2) Purchases of assets from a noncharitable exempt organization		✓
	(3) Rental of facilities, equipment, or other assets		✓
	(4) Reimbursement arrangements		✓
	(5) Loans or loan guarantees		✓
	(6) Performance of services or membership or fundraising solicitations		✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		✓
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

<p>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.</p>			
<p>Signature of officer or trustee <u>Therm Kenan P</u></p>		<p>Date <u>Aug. 5/10</u></p>	
<p>Title <u>TRUSTEE</u></p>			

<p>Sign Here</p> <p>Paid Preparer's Use Only</p>	<p>Preparer's signature <u>[Signature]</u></p>	<p>Date <u>8/5/2010</u></p>	<p>Check if self-employed <input type="checkbox"/></p>	<p>Preparer's identifying number (see Signature on page 30 of the instructions)</p>
	<p>Firm's name (or yours if self-employed), address, and ZIP code <u>Higgins, Frankstone, Graves & Morris, PA</u> <u>1414 Raleigh Rd., #320, Chapel Hill, NC 27517</u></p>	<p>EIN <u></u></p>	<p>Phone no. <u>919.968.4717</u></p>	

THE RANDLEIGH FOUNDATION

EIN: 13-6207897

April 1, 2009 - March 31, 20010

FORM 990 PF, PART I

Line 11 – Other Income	Class Action Cardinal		2,665 95
Line 16a - Legal Fees	Higgins, Frankstone, Graves & Morris, PA		
	Preparation of annual report	3,425 00	
	Total		3,425 00
Line 16b - Accounting	Phyllis Snow		
	Accounting services	12,000 00	
	Total		12,000 00
Ling 16c - Other Prof.	Investment Management Fees		10,601 47
Line 18 - Taxes	Refund of Prior year tax	-10,478 44	
	Estimated Excise Tax	11,026 00	
	Foreign Tax Paid	6,451 35	
	Total		6,998 91
Line 23 - Other Expenses	New York Attorney General		
	Filing Fee	750 00	
	SunTrust Bank		
	Wire Charges	65.00	
	Office Expense	0.00	
	Total		815 00

THE RANDLEIGH FOUNDATION TRUST – 13-6207897
SECURITY HOLDINGS

AS OF MARCH 31, 2010

Form 990 PF, Part II

	Shares	Cost Basis
3M CO	13,000.00	929,868.80
ABBOTT LABS	10,000.00	340,014.52
BERKSHIRE HATHAWAY INC DEL CL A	28	3,492,537.14
COLGATE PALMOLIVE CO	6,000.00	146,285.10
DIAGEO PLC SPONSORED ADR NEW	6,000.00	474,300.00
DUKE ENERGY HLDG CORP	10,000.00	181,664.50
EL PASO CORP	25,000.00	495,832.00
EMERSON ELEC CO	14,000.00	318,872.50
EXXON MOBIL CORP	12,800.00	43,600.00
FEDERATED INVS INC PA CL B	7,000.00	219,293.00
GLAXOSMITHKLINE PLC SPONSORED ADR	12,000.00	517,501.00
ILLINOIS TOOL WKS INC	6,000.00	239,340.00
JOHNSON & JOHNSON	3,000.00	170,102.10
KRAFT FOODS INC CL A	30,000.00	914,642.00
LEE ENTERPRISES INC	24,000.00	261,142.72
MICROSOFT CORP	35,000.00	635,026.00
MLP W P CAREY & CO LLC COM	20,000.00	567,244.49
PFIZER INC	32,250.00	31,133.42
PHARMACEUTICAL PROD DEV INC	11,732.00	195,619.66
SANOFI AVENTIS SPONSORED ADR	22,000.00	799,360.20
SIGMA ALDRICH CORP	6,000.00	179,034.00
SPECTRA ENERGY CORP	40,000.00	898,319.00
TECHNE CORP	8,000.00	291,458.33
VARIAN MED SYS INC	12,000.00	47,797.95
WASHINGTON POST CO	700	14,232.87
WELLS FARGO & CO NEW	16,000.00	203,092.72
WESCO FINL CORP	1,000.00	365,680.10
WILLIAMS COS INC	23,000.00	553,963.70
WORTHINGTON INDS INC	35,000.00	307,487.50
		<u>\$ 13,834,445.32</u>
CASH		599,258.73
		<u>\$ 14,433,704.05</u>

RANDLEIGH FOUNDATION

13-6207897

April 1, 2009 - March 31, 2010

FORM 990 PF, PART VIII

COMPENSATION OF OFFICERS, DIRECTORS AND TRUSTEES

(a) Name and Address	(b) Title and average hours /week	(c) Compensation	(d) Benefit Plans & Deferred Comp	(e) Expense account
Thomas S. Kenan, III Post Office Box 4150 Chapel Hill, N.C. 27515	Trustee – 4 hours +	0.00	0.00	0.00
Mr. James G. Kenan, III Kentucky River Properties, LLC 250 W. Main Street, Suite 1823 Lexington, KY 40507	Trustee – 6 hours +	0.00	0.00	0.00
Garrett Kirk, Jr. 590 Madison Avenue 21st Floor New York, New York 10022	Trustee – 4 hours +/-	0.00	0.00	0.00
Annice H. Kenan 277 Beavertail Road Jamestown, RI 02835	Trustee – 1 hour +/-	0.00	0.00	0.00

The Randleigh Foundation Trust
 YE 3/31/10
 EIN 13-6207897
 Page 1

<i>Name and Address</i>	<i>Foundation Status</i>	<i>Contribution</i>	<i>Amount</i>
American Ballroom Theater Company 129 W. 27 th St , Suite 705 New York, NY 10001	Public	Endowment and Operations	172,500
Duplin County Board of Education PO Box 128 Kenansville, NC 28349	Public	Liberty Hall Restoration - Operations	55,000
Shakertown at Pleasant Hill Kentucky, Inc 3501 Lexington Road Harrodsburg, KY 40330	Public	General Funds	70,500
The Lexington School 1050 Lane Allen Road Lexington, KY 40504	Public	Permanent Endowment Fund	40,000
North Carolina Veterinary Medical Foundation 4700 Hillsborough Street Raleigh, NC 27606-1499	Government	WRK Memorial Endowment	30,000
Phillips Academy 180 Main Street Andover, MA 01810-4161	Public	Annual Fund and Classics Department	20,000
Colorado College 14 e Cache La Poudre Street Colorado Springs, CO 80903	Public	Public Interest Fellowship Program End.	162,000
UNC-Chapel Hill CB 6100 Chapel Hill, NC 27599-6100	Government	Wilson Library Special Collection	40,000
Blue Grass Conservancy Dudley Square 380 South Mill Street, Suite 120 Lexington, KY 40508-2560	Public	Conservation	20,000
Williams College 1000 Main Street Williamstown, MA 01267	Public	Annual, Drama Dept , Art Dept	20,000
Transylvania University 300 North Broadway Lexington, KY 40508-1797	Public	Endowment	50,000

The Randleigh Foundation Trust
 YE 3/31/09
 EIN 13-6207897
 Page 2

<i>Name and Address</i>	<i>Foundation Status</i>	<i>Contribution</i>	<i>Amount</i>
KET 560 Cooper Drive Lexington, KY 40502-2200	Government	Services and Programming	22,000
University of Kentucky Office of the Dean 1-85 William T Young Library Lexington, KY 40506-0456	Government	W T Young Library	10,000
Cameron Art Museum 3201 South 17th Street Wilmington, NC 278412	Public	Exhibitions	10,000
Penland School of Crafts PO Box 37 Penland, NC 28765-0037	Public	The Campaign for Penland's Future	10,000
Henry Morrison Flagler Museum PO Box 969 Palm Beach, FL 33480	Public	Restricted for Organ Restoration	10,000
Kenan Center - Lockport 433 Locust Street Lockport, NY 14094	Public	Develop , Advancement & Fund-raising	10,000
Frank H Kenan Chapel at Landfall 510 Arboretum Drive Wilmington, NC 28405	Public	Concert Series-Kenan Vocal Scholars	5,000
UNC School of the Arts Foundation 1533 South Main Street Winston-Salem, NC 27127-2188	Government	Chancellor's Discretionary Fund	10,500
Rhode Island Family Life Center 841 Broad Street Providence RI 02907	Public	Operations	5,000

The Randleigh Foundation Trust
 YE 3/31/09
 EIN 13-6207897
 Page 3

<i>Name and Address</i>	<i>Foundation Status</i>	<i>Contribution</i>	<i>Amount</i>
The Providence Athenaeum 251 Benefit Street Providence, RI 02903	Public	Operations	5,000
Ackland Art Museum CB 3400 UNC Chapel Hill Chapel Hill, NC 27599-3400	Government	Educational Programs	12,000
Arts & Sciences Foundation University of NC at Chapel Hill 134 E Franklin Street Chapel Hill, NC 27514	Government	Vocal Scholarships	20,000
Jamestown Arts Center PO Box 97 Jamestown , RI 02837	Public	Capital Campaign	15,000
Year Up Rhode Island 10 Dorrance St., Suite 1108 Providence, RI 02903	Public	Director's Discretionary Fund	5,000
Crossroads Rhode Island 160 Broad Street Providence, RI 02903	Public	Operations - Special Holiday Needs	5,000
RI Community Food Bank 200 Niantic Avenue Providence, RI 02902	Public	End Hunger Challenge	5,500
Community Music Works 1392 Westminster Street Providence, RI 02902	Public	Operations	5,000
R I Philhamonic Orchestra & Music School 667 Waterman Avenue East Providence, RI 02914	Public	Scholarships	5,000

TOTAL

850,000