Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning JUL 1, 2009 , and ending JUN 30, 2010

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 WILLIAM R KENAN JR FUND

A Employer identification number: 57-0757568

Number and street (or P O box number if mail is not delivered to street address): P O BOX 4150 | Room/suite:

B Telephone number: (919)962-8150

City or town, state, and ZIP code: CHAPEL HILL, NC 27515-4150

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 ▶ [ ]

H Check type of organization: [X] Section 501(c)(3) exempt private foundation
[ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 47914024.

J Accounting method: [X] Cash [ ] Accrual
[ ] Other (specify)
(Part I, column (d) must be on cash basis)

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).)

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received				
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	17589.	17589.		Statement 1
	4 Dividends and interest from securities	729111.	728584.		Statement 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-2137818.			
	b Gross sales price for all assets on line 6a 10289170.				
	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	1237425.	17638.	1219787.	Statement 3
	12 Total. Add lines 1 through 11	-153693.	763811.	1219787.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	777813.	0.	622250.	155563.
	14 Other employee salaries and wages	182573.	0.	146058.	36515.
	15 Pension plans, employee benefits	95254.	0.	76204.	19050.
	16a Legal fees Stmt 4	21992.	0.	0.	21992.
	b Accounting fees Stmt 5	25567.	4873.	0.	20694.
	c Other professional fees Stmt 6	165040.	50400.	91712.	22928.
	17 Interest	138.	138.	0.	0.
	18 Taxes Stmt 7	65942.	0.	34239.	8559.
	19 Depreciation and depletion				
	20 Occupancy	271000.	0.	198172.	72828.
	21 Travel, conferences, and meetings	18087.	0.	2138.	15949.
	22 Printing and publications				
	23 Other expenses Stmt 8	102303.	22719.	49014.	30570.
	24 Total operating and administrative expenses. Add lines 13 through 23	1725709.	78130.	1219787.	404648.
	25 Contributions, gifts, grants paid	2232500.			2232500.
	26 Total expenses and disbursements. Add lines 24 and 25	3958209.	78130.	1219787.	2637148.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-4111902.			
	b Net investment income (if negative, enter -0-)		685681.		
	c Adjusted net income (if negative, enter -0-)			0.	

RECEIVED
FEB 15 2011
IRS-OSC
OGDEN, UT

SCANNED FEB 1 2011

914
14 NE

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	51572.	44584.	44584.
	2 Savings and temporary cash investments	3237737.	1095746.	1095746.
	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			
	b Investments - corporate stock Stmt 12	16080744.	16669820.	15274095.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶ 1198637.			
	Less accumulated depreciation ▶	1236494.	1198637.	1198637.
	12 Investments - mortgage loans			
	13 Investments - other Stmt 13	32858742.	30355529.	30300832.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ Statement 14)	0.	130.	130.
	16 **Total assets** (to be completed by all filers)	53465289.	49364446.	47914024.
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 ▶ ☐ 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 ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	51421.	44714.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	1238199.	1198637.	
	29 Retained earnings, accumulated income, endowment, or other funds	52175669.	48121095.	Statement 11
	30 **Total net assets or fund balances**	53465289.	49364446.	
	31 **Total liabilities and net assets/fund balances**	53465289.	49364446.	

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	53465289.
2	Enter amount from Part I, line 27a	2	-4111902.
3	Other increases not included in line 2 (itemize) ▶ See Statement 9	3	42497.
4	Add lines 1, 2, and 3	4	49395884.
5	Decreases not included in line 2 (itemize) ▶ See Statement 10	5	31438.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	49364446.

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				
b	See Attached Statement			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	10289170.		12366164.	-2137818.

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				
b				
c				
d				
e				-2137818.

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	-2137818.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	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	2670861.	45164366.	.059136
2007	2785008.	59861501.	.046524
2006	2750311.	60001873.	.045837
2005	2762056.	56691553.	.048721
2004	2462191.	54965821.	.044795

2	Total of line 1, column (d)	2	.245013
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	.049003
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	47297934.
5	Multiply line 4 by line 3	5	2317741.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	6857.
7	Add lines 5 and 6	7	2324598.
8	Enter qualifying distributions from Part XII, line 4	8	2639891.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b		1	6857.
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	6857.
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	6857.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a 21408.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c 6000.		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	27408.
8 Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	20551.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 20551.	**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?	1a		X
b 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*	1b		X
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NC			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b		X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

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

Website address ▶ N/A

14 The books are in care of ▶ STEVEN R. ARMSTRONG, CPA Telephone no. ▶ 919-967-0618

Located at ▶ STE 525, 100 EUROPA DRIVE, CHAPEL HILL, NC ZIP+4 ▶ 27517

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

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

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2009 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b		X

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

		Yes	No
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 15		777813.	58814.	7731.

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

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.

923561
02-02-10

15170209 794104 WRK97 2009.05000 THE WILLIAM R KENAN JR FUND WRK97__2

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	46374333.
b	Average of monthly cash balances	1b	1643874.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	48018207.
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	48018207.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	720273.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	47297934.
6	**Minimum investment return.** Enter 5% of line 5	6	2364897.

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	2364897.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 6857.		
b	Income tax for 2009. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	6857.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2358040.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2358040.
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	2358040.

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	2637148.
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	2743.
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	2639891.
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	6857.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	2633034.

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				2358040.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			409848.	
b Total for prior years: ______, ______, ______		0.		
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	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 2639891.				
a Applied to 2008, but not more than line 2a			409848.	
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				2230043.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		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				127997.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
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 instructions and Part VII-A, question 9) N/A

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

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

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

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

1 **Information Regarding Foundation Managers:**

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

None

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

None

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

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

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

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
KENAN FLAGLER BUSINESS SCHOOL , UNC AT CHAPEL HILL, CHAPEL HILL, NC		PUBLIC	SUPPORT OF FRANK H KENAN INSTITUTE FOR PRIVATE ENTER	2232500.
Total			▶ 3a	2232500.
b *Approved for future payment*				
None				
Total			▶ 3b	0.

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

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
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	17589.	
4 Dividends and interest from securities			14	729111.	
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			14	17638.	
8 Gain or (loss) from sales of assets other than inventory			18	-2137818.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a EXPENSE REIMBURSEMENT					1219787.
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		-1373480.	1219787.

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 -153693.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
11A	THE FUND COORDINATES ITS CHARITABLE ACTIVITIES WITH THOSE OF THE WILLIAM R KENAN JR CHARITABLE TRUST AND THE WILLIAM R KENAN JR FUND FOR ARTS , THE WILLIAM R KENAN JR FUND FOR ENGINEERING, TECHNOLOGY, AND SCIENCE, AND THE WILLIAM R KENAN JR FUND FOR ETHICS, AND PROVIDES DIRECT ADMINISTRATIVE, TECHNICAL AND OTHER SUPPORT TO THE TRUST AND THE FUNDS. THE FUND WAS REIMBURSED $1,219,787 BY THESE ORGANIZATIONS FOR THESE SERVICES.

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

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

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

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

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

b If "Yes," complete the following schedule.

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

Sign Here

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

Signature of officer or trustee: [signature] Date: 12/10/11 Title: VICE-PRESIDENT

Paid Preparer's Use Only

Preparer's signature	[signature]	Date 2/10/11	Check if self-employed ▶ ☒ Preparer's identifying number P01366491
Firm's name (or yours if self-employed), address, and ZIP code	STEVEN R. ARMSTRONG STE 525, 100 EUROPA DRIVE CHAPEL HILL, NC 27514		EIN ▶ Phone no. 919-967-0618

Form **990-PF** (2009)

923622
02-02-10

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	SEE STATEMENT	P		
b	SEE STATEMENT	P		
c	FROM JPM US RE INC/GROWTH DOM,LP			
d	FROM JPM US RE INC/GROWTH DOM,LP			
e	FROM AIF VII PRIV. INVESTORS, LLC			
f	FROM AIF VII PRIV. INVESTORS, LLC			
g	Capital Gains Dividends			
h				
i				
j				
k				
l				
m				
n				
o				

	(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	2376963.		2112816.	264147.
b	7911254.		10253348.	-2342094.
c				-50509.
d				33.
e				3943.
f				-14291.
g	953.			953.
h				
i				
j				
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(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	
a				264147.
b				-2342094.
c				-50509.
d				33.
e				3943.
f				-14291.
g				953.
h				
i				
j				
k				
l				
m				
n				
o				

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	-2137818.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

923591
04-24-09

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

Source	Amount
FROM AIF VII PRIVATE INVESTORS LLC	4340.
FROM JPM US REAL ESTATE INCOME/GROWTH LP	12374.
JPMORGAN CHASE BANK	875.
Total to Form 990-PF, Part I, line 3, Column A	17589.

Form 990-PF Dividends and Interest from Securities Statement 2

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
FROM JPM US RE INC/GR LP	6772.	0.	6772.
JPMORGAN CHASE BANK	723292.	953.	722339.
Total to Fm 990-PF, Part I, ln 4	730064.	953.	729111.

Form 990-PF Other Income Statement 3

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
FROM JPM US RE INC/GR LP	13.	13.	0.
FROM AIF VII PRIV. INV., LLC	17625.	17625.	0.
EXPENSE REIMBURSEMENT	1219787.	0.	1219787.
Total to Form 990-PF, Part I, line 11	1237425.	17638.	1219787.

Form 990-PF Legal Fees Statement 4

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
SCHELL, BRAY ET AL	21992.	0.	0.	21992.
To Fm 990-PF, Pg 1, ln 16a	21992.	0.	0.	21992.

Form 990-PF	Accounting Fees			Statement 5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
STEVEN R. ARMSTRONG CPA	25567.	4873.	0.	20694.
To Form 990-PF, Pg 1, ln 16b	25567.	4873.	0.	20694.

Form 990-PF	Other Professional Fees			Statement 6
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
COMPENSATION CONSULTANT	114640.	0.	91712.	22928.
JPMORGAN CHASE BANK	50400.	50400.	0.	0.
To Form 990-PF, Pg 1, ln 16c	165040.	50400.	91712.	22928.

Form 990-PF	Taxes			Statement 7
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FEDERAL EXCISE TAXES	10000.	0.	0.	0.
PAYROLL TAXES	42798.	0.	34239.	8559.
FOREIGN TAX	13144.	0.	0.	0.
To Form 990-PF, Pg 1, ln 18	65942.	0.	34239.	8559.

Form 990-PF | Other Expenses | Statement 8

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
TELEPHONE	12172.	0.	9737.	2435.
POSTAGE	4364.	0.	3491.	873.
OFFICE EXPENSES	15317.	0.	12254.	3063.
TEMPORARY EMPLOYEE	7949.	0.	6359.	1590.
AUTO EXPENSE	1199.	0.	959.	240.
INSURANCE	11552.	0.	9242.	2310.
SUBSCRIPTIONS	4524.	0.	3619.	905.
MAINTENANCE & REPAIRS	4190.	0.	3353.	837.
PRESIDENT'S EXPENSES	6765.	0.	0.	6765.
PROFESSIONAL ASSOCIATION MEMBERSHIP	8148.	0.	0.	8148.
PROGRAM MANAGER'S EXPENSES	966.	0.	0.	966.
MISCELLANEOUS	2438.	0.	0.	2438.
OTHER PORTFOLIO	60.	60.	0.	0.
FROM AIF VII PRIV. INV., LLC	9474.	9474.	0.	0.
FROM JPM US RE INC/GROWTH, LP	13185.	13185.	0.	0.
To Form 990-PF, Pg 1, ln 23	102303.	22719.	49014.	30570.

Form 990-PF | Other Increases in Net Assets or Fund Balances | Statement 9

Description	Amount
COST BASIS DIFFERENCE BETWEEN TAX AND BOOK	42497.
Total to Form 990-PF, Part III, line 3	42497.

Form 990-PF | Other Decreases in Net Assets or Fund Balances | Statement 10

Description	Amount
PRIOR YEAR TAX COST ADJUSTMENT FOR NONTAXABLE DIVIDEND	835.
ROUNDING	3.
NET DISPOSITION OF ASSET IN PLANT FUND (AUTO)	30600.
Total to Form 990-PF, Part III, line 5	31438.

Form 990-PF	Other Funds	Statement 11

Description	(A) Beginning of Year	(B) End of Year
Endowment Fund	52175669.	48121095.
Total to Form 990-PF, Part II, line 29	52175669.	48121095.

Form 990-PF	Corporate Stock	Statement 12

Description	Book Value	Fair Market Value
MARKETABLE SECURITIES	16669820.	15274095.
Total to Form 990-PF, Part II, line 10b	16669820.	15274095.

Form 990-PF	Other Investments	Statement 13

Description	Valuation Method	Book Value	Fair Market Value
JPM FIXED INCOME	COST	11099503.	11334112.
JPM ALTERNATIVE ASSETS	COST	12290900.	12447203.
JPM OTHER ASSETS	COST	2400000.	1714950.
JPM LARGE CAP	COST	4565126.	4804567.
Total to Form 990-PF, Part II, line 13		30355529.	30300832.

Form 990-PF	Other Assets	Statement 14

Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
SALES TAX RECEIVABLE	0.	130.	130.
To Form 990-PF, Part II, line 15	0.	130.	130.

Form 990-PF Part VIII - List of Officers, Directors Trustees and Foundation Managers Statement 15

Name and Address	Title and Avrg Hrs/Wk	Compen-sation	Employee Ben Plan Contrib	Expense Account
RICHARD M KRASNO P O BOX 3858 CHAPEL HILL, NC	PRESIDENT 40.00	684213.	45184.	6765.
THOMAS S KENAN III 106 LAUREL HILL CIRCLE CHAPEL HILL, NC	VICE PRESIDENT 3.00	0.	0.	0.
ELIZABETH PRICE KENAN P.O. BOX 4150 CHAPEL HILL, NC	DIRECTOR 3.00	0.	0.	0.
CATHERINE H. BURNETT 700 COPPERLINE DR. UNIT 202 CHAPEL HILL, NC	ASST SECRETARY 40.00	93600.	13630.	966.
DANIEL W DRAKE 11 FERRIS HILL ROAD NEW CANAAN, CT	DIRECTOR 3.00	0.	0.	0.
J HAYWOOD DAVIS 150 EAST 73RD STREET NEW YORK, NY	DIRECTOR 3.00	0.	0.	0.
ROBERT P. BAYNARD, JR. 345 PARK AVENUE, FLOOR 7 NEW YORK, NY	DIRECTOR 0.00	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		777813.	58814.	7731.

WILLIAM R KENAN JR FUND TRUST P16855002 13-6843654

Schedule D Detail of Short-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
200. AFLAC INC	10/13/2009	05/21/2010	8,609.59	9,025.82	-416.23
200. AFLAC INC	10/07/2009	06/09/2010	8,469.55	8,562.00	-92.45
33. AOL INC	VAR	12/10/2009	763.35	482.73	280.62
300. ALTRIA GROUP INC	01/20/2009	09/22/2009	5,363.92	5,195.22	168.70
1000. ALTRIA GROUP INC	VAR	11/20/2009	18,953.41	15,180.90	3,772.51
100. AMAZON COM INC	09/10/2009	12/07/2009	13,652.85	8,337.66	5,315.19
100. AMERIPRISE FINANCIAL INC	12/12/2008	10/13/2009	3,571.55	1,980.37	1,591.18
100. AMERIPRISE FINANCIAL INC	12/12/2008	10/13/2009	3,581.79	1,980.37	1,601.42
200. ANADARKO PETE CORP	05/22/2009	10/15/2009	13,130.10	8,726.64	4,403.46
200. ANADARKO PETE CORP	VAR	04/30/2010	12,936.44	14,263.19	-1,326.75
75. ANADARKO PETE CORP	03/16/2010	04/30/2010	4,829.61	5,345.32	-515.71
200. AON CORP	VAR	11/17/2009	8,097.73	7,944.33	153.40
300. APPLIED MATLS INC	12/15/2009	02/01/2010	3,687.10	4,062.00	-374.90
100. APPLIED MATLS INC	12/15/2009	02/01/2010	1,241.08	1,354.00	-112.92
700. APPLIED MATLS INC	VAR	02/04/2010	8,248.48	9,292.48	-1,044.00
1000. APPLIED MATLS INC	VAR	03/24/2010	13,012.63	12,930.12	82.51
100. BAKER HUGHES INC	01/06/2010	05/27/2010	4,024.70	4,589.83	-565.13
100. BAXTER INTL INC	07/01/2009	06/17/2010	4,237.66	5,294.44	-1,056.78
500. BRISTOL MYERS SQUIBB CO	VAR	12/15/2009	12,834.66	11,182.66	1,652.00
300. BRISTOL MYERS SQUIBB CO	VAR	01/12/2010	7,408.52	6,368.03	1,040.49
200. BRISTOL MYERS SQUIBB CO	VAR	04/15/2010	5,090.27	4,082.91	1,007.36
200. CVS CORP	11/05/2009	06/09/2010	6,166.54	5,920.56	245.98
100. CAREFUSION CORPORATION	06/08/2009	09/17/2009	2,133.56	1,679.73	453.83
100. CATERPILLAR INC	04/30/2009	08/06/2009	4,706.23	3,631.54	1,074.69
200. CATERPILLAR INC	02/06/2009	10/14/2009	10,879.04	6,742.24	4,136.80
100. CATERPILLAR INC	04/15/2009	11/05/2009	5,751.65	3,280.86	2,470.79
200. CATERPILLAR INC	VAR	01/21/2010	11,436.71	5,537.85	5,898.86
550. CHEVRONTEXACO CORP COM	VAR	01/06/2010	43,781.24	36,291.63	7,489.61
100. DEVON ENERGY CORP	07/07/2009	03/18/2010	6,540.26	4,991.00	1,549.26
300. DOW CHEM CO	VAR	05/21/2010	7,850.56	7,828.06	22.50
200. EMERSON ELEC CO	VAR	06/24/2010	8,923.41	8,450.22	473.19
75. EXXON MOBIL CORPORATION	05/13/2009	10/05/2009	4,979.20	5,232.00	-252.80
400. GENERAL ELEC CO	10/02/2008	09/01/2009	5,326.58	8,936.12	-3,609.54
300. HESS CORP	VAR	07/08/2009	14,200.29	25,880.31	-11,680.02
394000. JPMORGAN CHASE BREN SPX	05/01/2009	11/05/2009	440,492.00	394,000.00	46,492.00
Totals					

JSA
9F0971 2.000

WILLIAM R KENAN JR FUND TRUST P16855002 13-6843654
Schedule D Detail of Short-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
84299.262 JPMORGAN TOTAL RETURN FUND SELECT	04/27/2009	09/10/2009	871,654.37	800,000.00	71,654.37
300. JUNIPER NETWORKS INC	02/06/2009	07/22/2009	7,656.01	4,924.38	2,731.63
200. JUNIPER NETWORKS INC	VAR	07/23/2009	5,281.12	3,264.13	2,016.99
700. KB HOME	VAR	05/21/2010	10,475.04	11,528.04	-1,053.00
200. LAM RESEARCH CORP	VAR	07/21/2009	6,035.62	4,062.36	1,973.26
300. LAM RESEARCH CORP	10/28/2008	07/24/2009	9,580.19	5,977.08	3,603.11
100. MCKESSON CORP	04/01/2009	10/07/2009	5,907.00	3,474.29	2,432.71
100. MCKESSON CORP	04/01/2009	10/07/2009	5,917.84	3,474.29	2,443.55
100. MERCK & CO INC	09/14/2009	11/04/2009	3,219.63	3,274.22	-54.59
150. MONSANTO COMPANY NEW	VAR	05/12/2010	8,531.89	11,791.93	-3,260.04
398000. MORGAN STANLEY BREN SPX	05/22/2009	03/01/2010	455,710.00	398,000.00	57,710.00
600. NATIONAL SEMICONDUCTOR	VAR	09/09/2009	9,357.49	7,545.63	1,811.86
400. NATIONAL SEMICONDUCTOR	VAR	12/11/2009	5,860.44	4,727.52	1,132.92
400. NATIONAL SEMICONDUCTOR	04/03/2009	01/05/2010	6,024.52	4,727.28	1,297.24
200. NATIONAL SEMICONDUCTOR	04/03/2009	01/06/2010	2,998.44	2,363.64	634.80
300. NETAPP INC	VAR	01/08/2010	9,914.50	4,659.35	5,255.15
200. PAYCHEX INC	05/22/2009	12/01/2009	6,302.83	5,383.78	919.05
100. PAYCHEX INC	04/08/2009	12/01/2009	3,154.34	2,647.91	506.43
400. PAYCHEX INC	VAR	01/13/2010	12,614.39	10,321.18	2,293.21
100. PHILIP MORRIS INTERNATIONA	05/22/2009	03/05/2010	5,091.66	4,288.25	803.41
300. PRINCIPAL FINANCIAL GROUP	VAR	04/22/2010	8,887.49	7,652.99	1,234.50
200. ROCKWELL AUTOMATION INC	04/09/2009	07/08/2009	5,938.20	5,410.50	527.70
200. SAFEWAY INC	02/27/2009	09/11/2009	4,004.11	3,648.80	355.31
200. SCHLUMBERGER LTD	01/06/2010	05/28/2010	11,369.30	13,746.00	-2,376.70
200. SOUTHERN CO	05/13/2009	07/22/2009	6,362.86	5,752.86	610.00
200. STARWOOD HOTELS & RESORTS	05/22/2009	04/07/2010	9,654.33	4,317.36	5,336.97
100. STARWOOD HOTELS & RESORTS	05/22/2009	05/13/2010	5,290.76	2,158.68	3,132.08
42. TIME WARNER CABLE INC	10/21/2008	07/29/2009	1,375.41	1,316.35	59.06
176. TIME WARNER CABLE INC	VAR	07/29/2009	5,726.41	4,614.82	1,111.59
100. THE TRAVELERS COMPANIES	03/02/2009	12/16/2009	5,005.10	3,653.67	1,351.43
200. URBAN OUTFITTERS INC	04/01/2009	08/13/2009	5,762.87	3,093.52	2,669.35
200. URBAN OUTFITTERS INC	01/14/2009	09/24/2009	6,051.20	2,887.72	3,163.48
100. URBAN OUTFITTERS INC	01/14/2009	01/06/2010	3,503.08	1,443.86	2,059.22
100. URBAN OUTFITTERS INC	01/14/2009	01/08/2010	3,412.41	1,443.86	1,968.55
Totals					

JSA
8F0971 2.000

WILLIAM R KENAN JR FUND TRUST P16855002 13-6843654

Schedule D Detail of Short-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
100. URBAN OUTFITTERS INC	01/14/2009	01/08/2010	3,401.27	1,443.86	1,957.41
100. WELLPOINT INC	04/09/2009	07/28/2009	5,397.45	4,034.70	1,362.75
100. WELLPOINT INC	11/13/2009	02/11/2010	5,991.92	5,249.92	742.00
400. WYETH	VAR	09/14/2009	19,136.38	16,990.11	2,146.27
400. XILINX INC	VAR	03/24/2010	10,507.98	8,044.99	2,462.99
100. ZIMMER HOLDINGS INC	02/06/2009	07/01/2009	4,200.55	4,004.10	196.45
200. ZIMMER HOLDINGS INC	VAR	07/01/2009	8,433.72	8,002.10	431.62
400. COOPER INDUSTRIES PLC CL -	09/01/2009	03/19/2010	18,410.12	13,080.68	5,329.44
100. COVIDIEN PLC	07/01/2009	05/21/2010	4,156.41	3,688.00	468.41
300. NOBLE CORPORATION	05/22/2009	11/20/2009	11,661.42	9,265.47	2,395.95
200. TRANSOCEAN INC	11/20/2009	04/12/2010	17,122.17	16,852.62	269.55
Totals			2376963.00	2112816.00	264,147.00

JSA
9F0971 2.000

WILLIAM R KENAN JR FUND TRUST P16855002 13-6843654

Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
15% RATE CAPITAL GAINS (LOSSES)					
103. AOL INC	VAR	12/10/2009	2,382.59	2,271.75	110.84
. AOL INC		01/06/2010	8.45		8.45
500. AT&T INC	01/10/2008	04/22/2010	13,084.77	19,427.60	-6,342.83
200. AMERIPRISE FINANCIAL INC	VAR	10/13/2009	7,176.75	10,793.67	-3,616.92
25. ANADARKO PETE CORP	04/09/2009	04/30/2010	1,609.87	1,077.96	531.91
175. ANADARKO PETE CORP	04/09/2009	05/12/2010	9,886.93	7,545.68	2,341.25
100. APACHE CORP	01/04/2008	09/17/2009	9,465.59	10,980.00	-1,514.41
200. BOEING CO	09/27/2005	02/08/2010	11,653.89	13,150.88	-1,496.99
400. BRISTOL MYERS SQUIBB CO	06/26/2008	04/15/2010	10,180.55	7,949.52	2,231.03
100. BRISTOL MYERS SQUIBB CO	06/26/2008	04/15/2010	2,542.81	1,987.38	555.43
100. CVS CORP	01/07/2008	07/01/2009	3,177.70	3,784.24	-606.54
200. CVS CORP	VAR	06/09/2010	6,166.54	5,442.66	723.88
. CABLETRON SYSTEM INC		01/29/2010	13.13		13.13
62905.511 CAUSEWAY INTERNATIONAL VALUE FUND	02/28/2005	06/08/2010	619,619.28	1047376.76	-427,757.48
100. CELGENE CORP	02/05/2009	03/19/2010	6,427.91	5,448.00	979.91
100. CELGENE CORP	10/22/2008	03/22/2010	6,482.62	5,290.64	1,191.98
400. CORNING INC	05/31/2005	02/01/2010	7,267.98	6,235.96	1,032.02
400. CORNING INC	05/31/2005	05/13/2010	7,467.83	6,235.96	1,231.87
100. CORNING INC	05/31/2005	06/16/2010	1,827.13	1,558.99	268.14
1000. CORNING INC	VAR	06/16/2010	18,191.39	13,811.06	4,380.33
300. DEVON ENERGY CORP	VAR	03/16/2010	20,352.85	17,168.24	3,184.61
100. DEVON ENERGY CORP	VAR	03/18/2010	6,540.26	4,854.39	1,685.87
75. DEVON ENERGY CORP	03/12/2009	03/19/2010	4,855.49	3,206.48	1,649.01
100. DOW CHEM CO	05/22/2009	06/01/2010	2,570.90	1,719.38	851.52
100. DOW CHEM CO	04/22/2009	06/02/2010	2,618.73	1,282.83	1,335.90
100. DOW CHEM CO	04/22/2009	06/02/2010	2,598.62	1,282.83	1,315.79
300. DOW CHEM CO	04/22/2009	06/02/2010	7,831.51	3,848.49	3,983.02
500. DOW CHEM CO	04/22/2009	06/02/2010	13,045.97	6,281.40	6,764.57
400. EMERSON ELEC CO	VAR	06/24/2010	17,846.81	14,040.81	3,806.00
300. EXELON CORP	07/09/2008	09/10/2009	14,594.89	27,080.58	-12,485.69
200. EXELON CORP	06/05/2008	09/11/2009	9,714.03	17,903.20	-8,189.17
Totals					

JSA
9F0970 2.000

WILLIAM R KENAN JR FUND TRUST P16855002 13-6843654

Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
200. EXXON MOBIL CORPORATION	VAR	07/01/2009	14,140.10	18,489.48	-4,349.38
100. EXXON MOBIL CORPORATION	VAR	07/07/2009	6,686.75	8,681.30	-1,994.55
425. EXXON MOBIL CORPORATION	VAR	10/05/2009	28,215.49	26,550.02	1,665.47
. FEDERAL HOME LN MTG CORP		09/11/2009	708.36		708.36
600. GENERAL ELEC CO	12/30/2002	08/13/2009	8,489.76	14,535.00	-6,045.24
900. GENERAL ELEC CO	03/05/2003	09/01/2009	11,984.80	21,042.00	-9,057.20
200. GILEAD SCIENCES INC	01/07/2008	01/27/2010	9,526.87	9,381.68	145.19
400. GILEAD SCIENCES INC	VAR	02/19/2010	19,583.67	18,722.89	860.78
50. GOLDMAN SACHS GROUP INC	04/04/2008	03/25/2010	8,894.43	8,885.77	8.66
25. GOOGLE INC	VAR	03/01/2010	13,232.63	13,367.49	-134.86
10. GOOGLE INC	09/07/2007	03/16/2010	5,664.02	5,197.29	466.73
30. GOOGLE INC	09/07/2007	06/24/2010	14,358.10	15,591.87	-1,233.77
400000. JPM 2Y GE ARN LINKED TO					
10Y CMT;	10/30/2007	11/19/2009	336,000.00	400,000.00	-64,000.00
300000. JPMORGAN CHASE ARN SX5E	02/16/2007	03/03/2010	214,129.50	300,000.00	-85,870.50
295000. JPMORGAN CHASE SARN SPX	02/06/2009	03/01/2010	342,790.00	295,000.00	47,790.00
600000. JPM ISSUED 2 YR NOTE	03/12/2008	03/18/2010	450,923.99	600,000.00	-149,076.01
74260.497 JPM INTREPID					
INTERNATIONAL FUND	04/23/2007	03/04/2010	1128759.55	1879533.19	-750,773.64
71337.984 JPMORGAN INTREPID					
AMERICA FUND	02/17/2005	07/07/2009	1125000.00	1615091.96	-490,091.96
22548.506 JPMORGAN INTREPID					
AMERICA FUND	02/17/2005	02/08/2010	430,000.00	510,498.18	-80,498.18
39341.263 JPMORGAN SHORT DURATION					
BOND FUND	02/29/2008	02/08/2010	430,000.00	425,279.05	4,720.95
41246.563 JPMORGAN SHORT DURATION					
BOND FUND	02/29/2008	02/10/2010	450,000.00	445,875.35	4,124.65
135438. UNITS-JPMCB FIXED INCOME					
SEC FUND	VAR	10/01/2009	76,704.63		76,704.63
400. MERCK & CO INC	02/27/2007	11/04/2009	12,878.50	17,290.52	-4,412.02
150. MONSANTO COMPANY NEW	01/03/2008	05/12/2010	8,531.89	17,579.02	-9,047.13
200. MORGAN ST DEAN WITTER					
DISCOVER	VAR	03/25/2010	5,895.58	7,307.11	-1,411.53
600000. MORGAN STANLEY BREN AIB	08/01/2008	08/20/2009	600,000.00	600,000.00	
100. PEPSICO INC	01/09/2008	09/22/2009	5,830.80	7,891.27	-2,060.47
Totals					

JSA 9F0970 2.000

WILLIAM R KENAN JR FUND TRUST P16855002 13-6843654

Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
100. PEPSICO INC	01/09/2008	03/25/2010	6,661.91	7,891.27	-1,229.36
300. PHILIP MORRIS INTERNATIONA	VAR	06/04/2010	13,301.47	10,975.72	2,325.75
300. PRAXAIR INC	09/26/2002	10/13/2009	24,842.51	7,746.75	17,095.76
75. PRAXAIR INC	09/26/2002	04/07/2010	6,295.35	1,936.69	4,358.66
100. PRAXAIR INC	VAR	04/28/2010	8,406.57	2,579.06	5,827.51
125. PRAXAIR INC	03/05/2003	04/28/2010	10,516.76	3,222.50	7,294.26
200. PROCTER & GAMBLE CO	VAR	03/25/2010	12,751.83	13,543.94	-792.11
26868.588 PROFESSIONALLY MANAGED					
PORTFOLIOS	07/06/2006	07/07/2009	550,000.00	696,971.17	-146,971.17
100. SAFEWAY INC	09/12/2007	07/01/2009	2,036.21	3,162.13	-1,125.92
100. SAFEWAY INC	09/12/2007	07/01/2009	2,034.22	3,159.15	-1,124.93
300. SAFEWAY INC	VAR	09/10/2009	5,941.75	8,530.40	-2,588.65
200. SAFEWAY INC	05/11/2004	09/10/2009	3,942.35	4,450.04	-507.69
300. SAFEWAY INC	05/11/2004	09/11/2009	6,006.17	6,675.06	-668.89
1700. SCHERING PLOUGH CORP	VAR	09/14/2009	48,508.08	48,284.46	223.62
200. SCHERING PLOUGH CORP	08/10/2007	09/14/2009	5,710.85	5,439.28	271.57
300. TD AMERITRADE HOLDING					
CORPORATION	04/18/2007	08/10/2009	5,784.47	4,698.60	1,085.87
200. TD AMERITRADE HOLDING					
CORPORATION	04/18/2007	08/10/2009	3,848.82	3,132.40	716.42
13542.795 THIRD AVENUE FUND INC	07/06/2006	07/07/2009	500,000.00	778,710.71	-278,710.71
. TIME WARNER INC		03/31/2010	491.40		491.40
158. TIME WARNER CABLE INC	VAR	07/29/2009	5,174.16	7,384.75	-2,210.59
100. THE TRAVELERS COMPANIES	09/16/2008	12/11/2009	5,058.72	4,833.01	225.71
200. THE TRAVELERS COMPANIES	VAR	12/15/2009	10,113.43	8,914.89	1,198.54
300. WAL MART STORES INC	VAR	04/23/2010	16,193.33	14,362.75	1,830.58
100. WAL MART STORES INC	05/04/2006	05/13/2010	5,261.53	4,647.35	614.18
100. WAL MART STORES INC	05/04/2006	05/27/2010	5,041.33	4,647.35	393.98
500. XILINX INC	VAR	03/24/2010	13,134.98	11,378.90	1,756.08
900. YAHOO INC	VAR	07/29/2009	13,801.95	20,986.62	-7,184.67
200. AXIS CAPITAL HOLDINGS LTD	09/16/2008	11/13/2009	5,947.46	6,798.14	-850.68
200. COVIDIEN PLC	11/18/2008	05/21/2010	8,312.81	7,457.50	855.31
TOTAL 15% RATE CAPITAL GAINS (LOSSES)			7911254.00	10253348.00	-2342095.00
Totals			7911254.00	10253348.00	-2342095.00

JSA
9F0970 2.000