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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning SEP 1, 2009 , and ending AUG 31, 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 BAILEY FOUNDATION C/O CAROLINA FIRST BANK

Number and street (or P O box number if mail is not delivered to street address) / Room/suite: P.O. BOX 494

City or town, state, and ZIP code: CLINTON, SC 29325-0494

A Employer identification number: 57-6018387

B Telephone number: 864-938-2632

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 4,296,431.

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received	11,220.			
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	147,154.	147,154.	147,154.	STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	298,802.			
	b Gross sales price for all assets on line 6a 1,978,832.				
	7 Capital gain net income (from Part IV, line 2)		298,802.		
	8 Net short-term capital gain			61,121.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 Total. Add lines 1 through 11	457,176.	445,956.	208,275.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	22,443.	22,443.	22,443.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	5,600.	5,600.	5,600.	0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 3	2,295.	135.	135.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 4	775.	775.	775.	0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	31,113.	28,953.	28,953.	0.
	25 Contributions, gifts, grants paid	277,217.			277,217.
	26 **Total expenses and disbursements.** Add lines 24 and 25	308,330.	28,953.	28,953.	277,217.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	148,846.			
	b **Net investment income** (if negative, enter -0-)		417,003.		
	c **Adjusted net income** (if negative, enter -0-)			179,322.	

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614 (5)

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

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	283,101.	170,778.	170,778.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations STMT 5	600,000.	190,229.	190,946.
	b Investments - corporate stock STMT 6	1,440,528.	1,851,461.	1,863,694.
	c Investments - corporate bonds STMT 7	1,686,264.	1,946,271.	2,071,013.
	11 Investments - land buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	4,009,893.	4,158,739.	4,296,431.
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	4,009,893.	4,158,739.	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 **Total net assets or fund balances**	4,009,893.	4,158,739.	
	31 **Total liabilities and net assets/fund balances**	4,009,893.	4,158,739.	

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	4,009,893.
2	Enter amount from Part I, line 27a	2	148,846.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	4,158,739.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,158,739.

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 A	P	VARIOUS	VARIOUS
b	SEE STATEMENT A	P	VARIOUS	VARIOUS
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	543,593.		482,472.	61,121.
b	1,435,239.		1,197,558.	237,681.
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(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				61,121.
b				237,681.
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	298,802.
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	61,121.

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	239,900.	3,968,977.	.060444
2007	475,494.	4,869,724.	.097643
2006	294,100.	5,006,411.	.058745
2005	282,736.	4,796,352.	.058948
2004	272,740.	4,819,853.	.056587

2 Total of line 1, column (d)	2	.332367
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	.066473
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	4,292,882.
5 Multiply line 4 by line 3	5	285,361.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,170.
7 Add lines 5 and 6	7	289,531.
8 Enter qualifying distributions from Part XII, line 4	8	277,217.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ________ (attach copy of letter if necessary-see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	8,340.
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	8,340.
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	8,340.
6	Credits/Payments			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a 3,431.		
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	3,431.
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached		8	
9	**Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	4,909.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶	Refunded ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *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) ▶ SC			
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 ▶ CAROLINA FIRST BANK, TRUSTEE Telephone no ▶ (864) 938-2632

Located at ▶ PO BOX 494, CLINTON, SC ZIP+4 ▶ 29325-0494

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)*

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: No X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A — 7b

Part VIII | Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		22,443.	0.	0.

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

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

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

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.

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	4,127,147.
b	Average of monthly cash balances		1b	231,109.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	4,358,256.
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	4,358,256.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	65,374.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	4,292,882.
6	**Minimum investment return.** Enter 5% of line 5		6	214,644.

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

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

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	277,217.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	277,217.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	277,217.

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				0.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years: ___, ___, ___		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
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 ▶ $ N/A				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				0.
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				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	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)

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 [X] 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	179,322.	142,776.	151,740.	159,200.	633,038.
b 85% of line 2a	152,424.	121,360.	128,979.	135,320.	538,082.
c Qualifying distributions from Part XII, line 4 for each year listed	277,217.	239,900.	478,207.	294,100.	1,289,424.
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.	0.	0.	0.	0.
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	277,217.	239,900.	478,207.	294,100.	1,289,424.
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					0.
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	143,096.	132,299.	162,324.	166,881.	604,600.
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)					0.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income					0.

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

SEE STATEMENT 9

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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE STATEMENT 10				
Total			▶ 3a	277,217.
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	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (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					
4 Dividends and interest from securities			14	147,154.	
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	298,802.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		445,956.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 445,956.

(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)

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: 1/18/11 Title: SVP

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ▶ ☐	Preparer's identifying number
[signature] CPA	1/14/11		
Firm's name (or yours if self-employed), address and ZIP code: SWAIMBROWN PA P.O. BOX 299 CLINTON, SC 29325-0299		EIN ▶	Phone no 864-833-4450

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CAROLINA FIRST BANK-TRUST DIVISION	147,154.	0.	147,154.
TOTAL TO FM 990-PF, PART I, LN 4	147,154.	0.	147,154.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SWAIMBROWN PA - ANNUAL REPORT	3,350.	3,350.	3,350.	0.
SWAIMBROWN PA - TAX RETURN	2,250.	2,250.	2,250.	0.
TO FORM 990-PF, PG 1, LN 16B	5,600.	5,600.	5,600.	0.

FORM 990-PF TAXES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FORM 990-PF FOR Y/E 08/31/09	2,160.	0.	0.	0.
FOREIGN TAXES PAID ON INVESTMENTS	135.	135.	135.	0.
TO FORM 990-PF, PG 1, LN 18	2,295.	135.	135.	0.

FORM 990-PF OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HONORARIUM PAYMENTS - 7 AT $100 EACH	700.	700.	700.	0.
FRAMING PHOTOGRAPHS	75.	75.	75.	0.
TO FORM 990-PF, PG 1, LN 23	775.	775.	775.	0.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 5

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US GOVERNMENT OBLIGATIONS - SEE ATTACHED DETAIL	X		190,229.	190,946.
TOTAL U.S. GOVERNMENT OBLIGATIONS			190,229.	190,946.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			190,229.	190,946.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK	879,209.	916,003.
CORPORATE MUTUAL FUNDS - SEE ATTACHED DETAILS	972,252.	947,691.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,851,461.	1,863,694.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	1,946,271.	2,071,013.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,946,271.	2,071,013.

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

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
GEORGE H. CORNELSON, IV 1644 HIGHWAY 56 SOUTH CLINTON, SC 29325	ADVISORY COMMITTEE - CHAIR 0.00	0.	0.	0.
MRS. BAILEY DIXON 1 BOXWOOD GARDENS CLINTON, SC 29325	ADVISORY COMMITTEE 0.00	0.	0.	0.
MARY V. SUITT 15 ABINGTON COURT NW ATLANTA, GA 30327-1353	ADVISORY COMMITTEE 0.00	0.	0.	0.
TOCCOA W. SWITZER 305 EAST SOUTH STREET UNION, SC 29379	ADVISORY COMMITTEE 0.00	0.	0.	0.
WALTER S. MONTGOMERY, JR. 314 SOUTH PINE STREET, BUILDING 100 SPARTANBURG, SC 29302	ADVISORY COMMITTEE 0.00	0.	0.	0.
VIRGINIA G. VANCE 311 SOUTH BROAD STREET CLINTON, SC 29325	ADVISORY COMMITTEE 0.00	0.	0.	0.
ROBERT S. LINK, JR. P.O. BOX 494 CLINTON, SC 29325-0494	ADMINISTRATOR 0.00	0.	0.	0.

CAROLINA FIRST BANK P.O. BOX 494 CLINTON, SC 29325-0494	TRUSTEE 3.00	22,443.	0.	0.
NORMAN W. DIXON 835 MYRTLE STREET NE ATLANTA, GA 30308	ADVISORY COMMITTEE 0.00	0.	0.	0.
JAMES L. SWITZER, JR. MORGAN STANLEY, 100 DUNBAR STREET, SUITE 104 SPARTANBURG, SC 29360	ADVISORY COMMITTEE 0.00	0.	0.	0.
MARTIN S. CORNELSON 329 CONNECTICUT AVENUE SPARTANBURG, SC 29302	ADVISORY COMMITTEE 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		22,443.	0.	0.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 9
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

ROBERT S. LINK, JR., ADMINISTRATOR
PO BOX 494
CLINTON, SC 293250494

TELEPHONE NUMBER

864-938-2632

FORM AND CONTENT OF APPLICATIONS

FORMS SUPPLIED UPON REQUEST

ANY SUBMISSION DEADLINES

SCHOLARSHIPS: APRIL 15 OF THE APPLICANT'S SENIOR YEAR OF HIGH SCHOOL
ORGANIZATIONS: OCTOBER 1 OF EACH YEAR

RESTRICTIONS AND LIMITATIONS ON AWARDS

RESTRICTIONS FOR SCHOLARSHIPS NOTED IN ATTACHED. GRANT REQUESTS FROM ORGANIZATIONS ARE LIMITED TO ORGANIZATIONS OPERATING IN LAURENS COUNTY, SOUTH CAROLINA

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR STATEMENT 10

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
BAILEY MANOR 300 JACOBS HIGHWAY CLINTON, SC 29325	GRANT PAYMENT		2,500.
CHRIST SCHOOL, INC. 500 CHRIST SCHOOL ROAD ARDEN, NC 28704	MATCHING GIFTS PROGRAM		5,000.
CITY OF CLINTON 211 NORTH BROAD STREET CLINTON, SC 29325	GRANT PAYMENT		20,000.
CLEMSON UNIVERSITY 105 SIKES HALL, BOX 345124 CLEMSON, SC 296345124	SCHOLARSHIP - MADISON G. HALL		5,000.
CLEMSON UNIVERSITY 105 SIKES HALL, BOX 345124 CLEMSON, SC 296345124	SCHOLARSHIP - JEREMY T. AKINS		2,500.
CLINTON FAMILY YMCA 100 YMCA DRIVE CLINTON, SC 29325	GRANT PAYMENT		10,000.
EMORY AND HENRY COLLEGE PO BOX 947 EMORY, VA 243270947	MATCHING GIFTS PROGRAM		100.
COMMUNITY BAPTIST CHURCH 1200 N QUAKER LANE ALEXANDRIA, VA 22302	GRANT PAYMENT		10,000.

LAURENS SCHOOL DISTRICT 56 2 WASHINGTON STREET DUE WEST, SC 29639	GRANT PAYMENT	5,000.
SPARTANBURG DAY SCHOOL 1701 SKYLYN DRIVE SPARTANBURG, SC 29307	MATCHING GIFTS PROGRAM	1,957.
FURMAN UNIVERSITY 3300 POINSETT HIGHWAY GREENVILLE, SC 29613	SCHOLARSHIP - ASHLEY R. BELL	2,500.
FURMAN UNIVERSITY 3300 POINSETT HIGHWAY GREENVILLE, SC 29613	SCHOLARSHIP - ROBERT L. SCOTT	5,000.
FURMAN UNIVERSITY 3300 POINSETT HIGHWAY GREENVILLE, SC 29613	SCHOLARSHIP - MARY S. HENDERSON	5,000.
GOOD SHEPHERD FREE MEDICAL CLINIC 245 HUMAN SERVICES ROAD CLINTON, SC 29325	GRANT PAYMENT	8,000.
LAURENS COUNTY LITERACY 221 WEST LAURENS STREET, SUITE C LAURENS, SC 29360	GRANT PAYMENT	2,500.
INDEPENDENT COLLEGES AND UNIVERSITIES OF SC 1706 SENATE STREET COLUMBIA, SC 29201	NAMED SCHOLARSHIPS PROGRAM - GRANT PAYMENT	20,000.
VANDERBILT UNIVERSITY 211 KIRKLAND HALL NASHVILLE, TN 37240	MATCHING GIFTS PROGRAM	260.
LANDER UNIVERSITY 320 STANLEY AVENUE GREENWOOD, SC 296492099	SCHOLARSHIP - WESLEY OWENS	2,200.

WAKE FOREST UNIVERSITY 1834 WAKE FOREST ROAD WINSTON-SALEM, NC 27109	MATCHING GIFTS PROGRAM	2,500.
LAURENS COUNTY HUMANE SOCIETY PO BOX 964 LAURENS, SC 29360	GRANT PAYMENT	10,000.
HOSPICE OF LAURENS COUNTY 1304 SPRINGDALE DR CLINTON, SC 29325	GRANT PAYMENT	5,000.
GEORGIA TECH INSTITUTE OF TECHNOLOGY ATLANTA, GA 30332	MATCHING GIFTS PROGRAM	5,000.
LIMESTONE COLLEGE 1115 COLLEGE DRIVE GAFFNEY, SC 29340	MATCHING GIFTS PROGRAM	5,000.
LYDIA PENTECOSTAL HOLINESS CHURCH 661 POPLAR STREET CLINTON, SC 29325	GRANT PAYMENT	10,000.
OPEN DOOR CHRISTIAN CENTER 209 EAST MAIN STREET CLINTON, SC 29325	GRANT PAYMENT	2,500.
DAVIDSON STREET BAPTIST CHURCH PO BOX 629 CLINTON, SC 29325	GRANT PAYMENT	5,000.
PRESBYTERIAN COLLEGE 503 SOUTH BROAD STREET CLINTON, SC 29325	MATCHING GIFTS PROGRAM	2,850.
PRESBYTERIAN COLLEGE 503 SOUTH BROAD STREET CLINTON, SC 29325	SCHOLARSHIP - PHYLLIS N. CRAIG	5,000.

PRESBYTERIAN COLLEGE 503 SOUTH BROAD STREET CLINTON, SC 29325	GRANT PAYMENT - ARTS BUILDING PROJECT	50,000.
LAURENS COUNTY JAYCEES PO BOX 1394 LAURENS, SC 29360	GRANT PAYMENT	500.
PROVIDENCE AR PRESBYTERIAN CHURCH 701 SOUTH BROAD STREET CLINTON, SC 29325	GRANT PAYMENT	1,500.
LAURENS COUNTY YMCA 410 ANDERSON DR LAURENS, SC 29360	GRANT PAYMENT	2,500.
CROSSROADS CHRISTIAN FELLOWSHIP-C/O PASTOR DAN LEWIS PO BOX 38 JOANNA, SC 29351	GRANT PAYMENT	2,500.
AMI KIDS 20238 HWY 72 EAST CLINTON, SC 29325	GRANT PAYMENT	4,500.
THORNWELL HOME AND SCHOOL FOR CHILDREN 300 SOUTH BROAD STREET CLINTON, SC 29325	GRANT PAYMENT	15,000.
UNITED WAY OF LAURENS COUNTY 16 PEACHTREE STREET, SUITE B CLINTON, SC 29325	ANNUAL CAMPAIGN - GRANT PAYMENT	20,000.
UNIVERSITY OF SOUTH CAROLINA 902 SUMTER STREET ACCESS / LIEBER COLLEGE COLUMBIA, SC 29208	SCHOLARSHIP - LAURA E. THORP	5,000.
VIRGINIA COMMONWEALTH UNIVERSITY 909 WEST FRANKLIN STREET RICHMOND, VA 23284	MATCHING GIFTS PROGRAM	100.

QUEENS UNIVERSITY OF CHARLOTTE 1900 SELWYN AVENUE CHARLOTTE, NC 28274	MATCHING GIFTS PROGRAM	5,000.
WASHINGTON & LEE UNIVERSITY 200 WEST WASHINGTON STREET LEXINGTON, VA 24450	MATCHING GIFTS PROGRAM	250.
WOFFORD COLLEGE 429 NORTH CHURCH STREET SPARTANBURG, SC 293033663	MATCHING GIFTS PROGRAM	10,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A		277,217.

THE BAILEY FOUNDATION C/O CAROLINA FIRST BANK **57-6018387**
NET GAIN/(LOSS) FROM SALES OF ASSETS
PART 1, LINE 6

ASSET	DATE ACQUIRED	DATE SOLD	PROCEEDS	COST	GAIN/(LOSS)	TERM
AMGEN	02/01/06	01/11/10	22,683.81	23,822.08	(1,138.27)	L
BP AMOCO	05/20/04	01/11/10	23,939.78	20,673.50	3,266.28	L
BANK AMER CORP	05/04/99	01/11/10	12,023.52	9,092.41	2,931.11	L
BECTON DICKINSON	01/10/90	01/11/10	31,047.76	3,105.90	27,941.86	L
DANAHER GROUP	04/04/04	01/11/10	19,895.95	11,658.95	8,237.00	L
DOW CHEM CO	02/01/06	01/11/10	4,648.03	6,348.00	(1,699.97)	L
EXXON MOBILE	06/29/88	01/11/10	13,313.14	1,631.25	11,681.89	L
FEDERAL HOME LOAN MTG CORP	99/99/99	11/25/09	100,000.00	100,000.00	-	L
FEDERAL HOME LOAN BANK	07/08/08	07/23/10	250,000.00	250,000.00	-	L
FEDERAL HOME LOAN BANK	99/99/99	10/16/09	100,000.00	100,000.00	-	L
FEDERAL NATIONAL MTG ASSN	07/30/09	03/01/10	150,000.00	150,000.00	-	S
FEDERAL NATIONAL MTG ASSN	10/14/09	07/06/10	100,000.00	100,000.00	-	S
FRONTIER COMMUNICATIONS CORP	05/03/90	07/20/10	0.07	0.21	(0.14)	L
FRONTIER COMMUNICATIONS CORP	05/03/90	08/03/10	599.48	1,655.70	(1,056.22)	L
GOLDMAN SACHS	10/26/06	01/11/10	11,322.25	12,293.07	(970.82)	L
HARTFORD FINANCIAL SERVICES	02/21/07	01/11/10	5,207.06	19,442.00	(14,234.94)	L
ITT INDS INC COM	04/01/04	01/11/10	29,093.85	22,890.00	6,203.85	L
ISHARES S&P GLOBAL TECHNOLOGY	06/13/06	01/11/10	18,487.80	17,458.22	1,029.58	L
ISHARES MSCI EAFE INDEX FUND	12/16/08	11/19/09	90,051.45	70,644.42	19,407.03	S
ISHARES MSCI EAFE INDEX FUND	12/16/08	11/25/09	99,457.52	80,736.48	18,721.04	S
ISHARES MSCI EAFE INDEX FUND	12/16/08	12/09/09	103,650.51	80,736.48	22,914.03	S
ISHARES MSCI EAFE INDEX FUND	12/16/08	01/11/10	159,374.70	125,590.08	33,784.62	L
ISHARES SP 400 GROWTH	99/99/99	11/17/09	110,316.25	78,348.21	31,968.04	L
ISHARES S&P 400 VALUE	99/99/99	11/17/09	100,485.41	78,329.12	22,156.29	L
ISHARES S&P 600 VALUE	99/99/99	11/17/09	128,953.50	109,085.63	19,867.87	L
JP MORGAN CHASE COM	05/20/09	01/11/10	433.88	354.70	79.18	S
JOHNSON & JOHNSON	01/13/06	01/11/10	25,779.73	24,694.91	1,084.82	L
JOHNSON CTLS INC	01/13/06	01/11/10	17,298.15	14,436.05	2,862.10	L
LOWE'S COMPANIES INC	05/20/04	01/11/10	4,483.13	4,604.12	(120.99)	L
MCDONALDS CORP	02/21/07	01/11/10	1,836.95	1,380.91	456.04	L
NATIONAL OILWELL VARCO INC	02/21/07	01/11/10	14,267.93	10,075.50	4,192.43	L
ORACLE CORPORATION	08/18/03	01/11/10	17,122.26	8,585.00	8,537.26	L
PHILIP MORRIS INTERNATIONAL	05/20/04	01/11/10	4,861.97	2,619.52	2,242.45	L
PRAXAIR INC	04/01/04	01/11/10	12,101.84	5,486.50	6,615.34	L
T ROWE PRICE GROUP INC	12/21/05	01/11/10	19,998.35	13,378.53	6,619.82	L
PROCTOR & GAMBLE CO	01/29/91	01/11/10	19,746.75	3,103.63	16,643.12	L
T ROWE PROCE MID-CAP GROWTH	99/99/99	12/16/09	54.12	-	54.12	L
T ROWE PRICE NEW ERA	99/99/99	12/17/09	84.23	-	84.23	L
T ROWE PRICE NEW ERA	99/99/99	01/07/10	48,855.30	48,300.00	555.30	L
T ROWE PRICE SMALL CAP VALUE	99/99/99	12/16/09	173.68	-	173.68	L
SCHLUMBERGER LTD	02/21/07	01/11/10	12,034.62	11,001.62	1,033.00	L
STAPLES INCORPORATED	01/13/06	01/11/10	6,756.85	6,364.00	392.85	L
STRYKER CORP	02/21/07	01/11/10	10,681.93	12,455.64	(1,773.71)	L

STATEMENT A

THE BAILEY FOUNDATION C/O CAROLINA FIRST BANK **57-6018387**
NET GAIN/(LOSS) FROM SALES OF ASSETS
PART 1, LINE 6

ASSET	DATE ACQUIRED	DATE SOLD	PROCEEDS	COST	GAIN/(LOSS)	TERM
TARGET CORP	12/02/05	01/11/10	2,481.49	2,690.41	(208.92)	L
TEVA PHARMACEUTICAL	01/13/06	01/11/10	12,869.39	9,937.59	2,931.80	L
UNITED TECHNOLOGIES	07/16/03	01/11/10	25,582.56	13,112.63	12,469.93	L
VERIZON COMMUNICATION	05/03/90	01/11/10	11,947.56	9,422.62	2,524.94	L
WALGREEN CO	12/15/89	01/11/10	22,008.03	1,633.42	20,374.61	L
WELLS FARGO & CO NEW	02/23/04	01/11/10	2,820.03	2,851.00	(30.97)	L
			1,978,832.57	1,680,030.01	298,802.56	
			543,593.36	482,472.08	61,121.28	S
			1,435,239.21	1,197,557.93	237,681.28	L

STATEMENT A

57-6018387

THE BAILEY FOUNDATION
CAROLINA FIRST BANK, TRUSTEE
CLINTON, SOUTH CAROLINA

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS
August 31, 2010

ASSETS

Security Name	Shares / Par	Investment	Unit Price	Market Value
FIXED INCOME SECURITIES				
AT&T - 4.950% - 01/15/13	100,000.0000	$ 101.259.95	$ 108.9500	$ 108,950.00
BANK OF AMERICA CORP - 6.750% - 08/15/19	50,000 0000	50,000 00	107.6730	53.836.50
BANK OF AMERICA CORP - 5 250% - 03/12/25	140,000 0000	139.700.00	100 6520	140.912.80
BELLSOUTH CORP - 5.200% - 09/15/14	100,000.0000	101.511.10	112.5840	112,584.00
FEDERAL HOME LOAN BANK - 2.250% - 11/18/16	50.000.0000	50,228.50	100 4060	50,203.00
FEDERAL HOME LOAN BANK - 4 000% - 08/18/25	140,000.0000	140,000.00	100.5310	140,743.40
GENERAL ELECTRIC CORP - 5 450% - 01/15/13	100,000.0000	100,278.80	108.5270	108.527.00
GENERAL ELECTRIC CAP CORP - 5.250% - 10/19/12	125.000 0000	125,520.08	107.6810	134,601.25
GOLDMAN SACHS - 5 850% - 05/15/15	100,000 0000	100.000 00	107 3200	107.320.00
HERSHEY COMPANY - 5.000% - 04/01/13	125,000.0000	126,304.52	110 3280	137,910.00
HESS CORP - 8 125% - 02/15/19	100,000 0000	109,352.99	130 3320	130.332 00
JP MORGAN CHASE & CO - 5 750% - 01/02/13	50,000 0000	50,978.49	108 4630	54.231.50
MORGAN STANLEY-STEP UP - 4.000% - 07/30/20	125,000 0000	125,000.00	99.7630	124,703 75
NATIONAL RURAL UTILITY - 7.250% - 03/01/12	265.000 0000	266,358.05	109.2710	289.568.15
ORACLE CORP - 5.250% - 01/15/16	100,000 0000	99,530.06	116.0580	116,058.00
ROYAL BANK OF SCOTLAND - 6 375% - 02/01/11	250,000.0000	250,510.66	101.3790	253,447.50
NATIONAL CITY CAPITAL TRUST III - 6 625%	4,040 0000	100,030.40	24.3900	98,535.60
WACHOVIA CAPITAL TRUST I PREFERRED 6 375%	4.020 0000	99,935 60	24 7500	99,495.00
Total FIXED INCOME SECURITIES	**1,928,060.0000**	**2,136,499.20**		**2,261,959.45**
EQUITIES				
ADOBE SYSTEMS INCORPORATED DELAWARE	500.0000	18.827 20	27.7000	13,850.00
ALTRIA GROUP INC	975 0000	15,101.99	22 3200	21,762 00
APACHE CORP	200 0000	21.695.32	89 8500	17,970.00
AT&T INC	375.0000	10,351 28	27.0300	10,136 25
BANK AMER CORP	1,470 0000	41,470.80	12.4600	18,316 20
BAXTER INTERNATIONAL INC	250.0000	14,543.73	42.5500	10,637.50
BECTON DICKINSON	200 0000	1,552.95	68.1900	13,638.00
CISCO SYSTEMS INC	1.200.0000	21,834.00	19.9850	23,982.00
COGNIZANT TECH SOLUTIONS-A	400 0000	18,969.20	57.6050	23,042.00
DANAHER GROUP	470.0000	10,918 99	36.3300	17,075 10
DOMINION RES INC VA NEW	400 0000	10,456.00	42.7300	17,092.00
EXELON CORP	175 0000	8,300.91	40 7200	7,126.00
EXPEDITORS INTL WASH INC	500.0000	17,287 10	39 6000	19,800 00
EXXON MOBIL CORP	310 0000	2,716.63	59.1100	18,324.10
FOREST LABORATORIES INC	450.0000	14.351 90	27 2900	12.280.50
GENERAL ELECTRIC CO	1,070.0000	7,080 01	14.4800	15,493.60
GENZYME CORP	300 0000	21,744.26	70.1100	21,033.00
GOLDMAN SACHS GROUP INC	135 0000	25,531.77	136.9300	18,485 55
ISHARES S&P GLOBAL TECHNOLOGY	675.0000	38,904 34	49 6900	33,540.75
JACOBS ENGINEERING GROUP INC	425.0000	17,116 07	34.6800	14,739.00
JP MORGAN CHASE	190 0000	6,739.30	36 3600	6,908.40
LOWE'S COMPANIES INC	505 0000	12,915 38	20.2800	10,241.40
MCDONALDS CORP	195 0000	8,975.94	73 0600	14,246 70
MEDCO HEALTH SOLUTIONS INC	220 0000	13,953.06	43 4800	9,565.60
MICROSOFT CORP	1,000 0000	26,894.00	23.4650	23,465 00
MOHAWK IND INC	240 0000	11,485.18	44.3100	10,634 40
MORGAN STANLEY	735.0000	23,846.85	24 6900	18,147.15
NATIONAL OILWELL VARCO INC	500 0000	16,792.50	37 6300	18,815.00
NEXTERA ENERGY INC	150.0000	8,083.83	53 7300	8,059.50
NIKE INC CL B	180 0000	11,751.39	70.0000	12.600 00
NOBLE CORP	425 0000	18,731.84	31 1200	13,226.00

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ASSETS

Security Name	Shares / Par	Investment	Unit Price	Market Value
EQUITIES - (Continued)				
NORFOLK SOUTHERN CORP	200 0000	$ 10.673 27	$ 53 68	$ 10,736.00
NOVARTIS AG-ADR	290 0000	16.312 81	52 4900	15.222 10
NUCOR CORP	560.0000	27,784 35	36 7800	20.596.80
ORACLE CORPORATION	1.300 0000	16.531 00	21 8450	28,398 50
PEPSICO INC	300.0000	16.454.53	64 1800	19,254 00
PG&E CORP	170 0000	7,575 73	46 7600	7,949.20
PHILIP MORRIS INTERNATIONAL	400.0000	10,478 06	51.3600	20,544.00
PRAXAIR INC	350.0000	13,072 50	86.0300	30.110 50
PROCTER & GAMBLE CO	325 0000	3,103.63	59.6700	19,392 75
PRUDENTIAL FINANCIAL	425.0000	22,649 57	50.6000	21,505 00
QUALCOMM INC	600 0000	28,597 92	38.3000	22,980 00
SCHLUMBERGER LTD	325 0000	20,431.58	53.3300	17.332.25
SOUTH FINANCIAL GROUP INC, THE	35,750.0000	10,010 00	0.2827	10,106 53
STAPLES INCORPORATED	475 0000	10,937 14	17.7700	8,440.75
SYSCO CORPORATION	690.0000	19,370 92	27.4900	18,968 10
T ROWE PRICE GROUP INC	430 0000	16,254 61	43.7900	18,829 70
TALISMAN ENERGY INC	1,120.0000	21,967 01	15.6800	17,561.60
TARGET CORP	250.0000	13.536.04	51.1600	12,790.00
TEVA PHARMACEUTICAL INDUSTRIES ADR	275 0000	11,857 84	50 6200	13,920 50
UNITED PARCEL SERVICE	250 0000	14,480 58	63.8000	15,950.00
UNITED TECHNOLOGIES	235.0000	9,924.67	65 2100	15,324 35
VERIZON COMMUNICATION	325.0000	6,293 74	29 5300	9,597 25
WAL MART STORES INC	310 0000	16.610 95	50 1400	15,543 40
WALT DISNEY CO	365 0000	12,374 80	32.5400	11,877.10
WELLS FARGO & CO NEW	800.0000	23.002.00	23 5500	18,840.00
Total EQUITIES	**61,340.0000**	**879,208.97**		**916,003.08**
MUTUAL FUNDS				
COLUMBIA ENERGY & NATURAL RESOURCES Z	2,336.0560	50,000 00	17 5300	40.951.06
DREYFUS EMERGING MARKETS 1	5,736 0090	68,000.00	11.6100	66,595.06
HARBOR INTERNATIONAL FUND	3.140.1220	176,571 11	50 7400	159,329 79
MFS INTERNATIONAL GROWTH 1	8,760 0550	205,000.00	22 2300	194,736 02
T ROWE PRICE MID-CAP GROWTH	3,000.9760	141,000 00	47 7400	143,266.59
T ROWE PRICE NEW HORIZONS	3,783.9880	94,000 00	25.9100	98,043 13
T ROWE PRICE SMALL CAP VALUE	2,736 6470	76,180 64	28 8100	78,842 80
T ROWE PRICE REAL ESTATE #122	2.959 2920	39,500 00	15.6700	46,372 11
VANGUARD SELECTED VALUE	7,619.7990	122.000 00	15 6900	119.554 65
Total MUTUAL FUNDS	**40,072.9440**	**972,251.75**		**947,691.21**
CASH EQUIVALENTS				
FEDERATED PRIME MGT OBL #804	112,691.9600	112,691.96	1 0000	112,691 96
FEDERATED PRIME MGT OBL #804 (INVESTED INCOME)	58.087 4000	58.087.40	1 0000	58.087 40
Total CASH EQUIVALENTS	**170,779.3600**	**170,779.36**		**170,779.36**
		4,158,739.28		4,296,433.10
CASH		-		-
ACCRUED INCOME AS OF AUGUST 31, 2010		**28,996.25**		**28,996.25**
Total Assets		**$ 4,187,735.53**		**$ 4,325,429.35**
NET ASSETS				
Unrestricted Donated Capital Surplus		**4,187,735.53**		**4,325,429.35**
TOTAL LIABILITIES AND NET ASSETS		**$ 4,187,735.53**		**$ 4,325,429.35**

See Accountant's Compilation Report.