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 DEC 1, 2009 **, and ending** NOV 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 HORNE FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address): C/O FLOWERS AND MANNING, 15 COURT SQ.

Room/suite: 340

City or town, state, and ZIP code: BOSTON, MA 02108

A Employer identification number 04-3104008

B Telephone number (617)589-0601

C If exemption application is pending, check here ▶☐

D 1 Foreign organizations, check here ▶☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 8,512,295.

J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) ____ *(Part I, column (d) must be on cash basis.)*

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	243,476.	243,476.		STATEMENT 1
	4 Dividends and interest from securities	100,776.	100,776.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	38,310.			
	b Gross sales price for all assets on line 6a 3,853,471.				
	7 Capital gain net income (from Part IV, line 2)		38,310.		
	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				
	12 **Total** Add lines 1 through 11	382,562.	382,562.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 3	17,169.	0.		0.
	b Accounting fees				
	c Other professional fees STMT 4	30,000.	0.		0.
	17 Interest				
	18 Taxes STMT 5	10,147.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	46,622.	0.		0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	103,938.	0.		0.
	25 Contributions, gifts, grants paid	435,500.			435,500.
	26 **Total expenses and disbursements.** Add lines 24 and 25	539,438.	0.		435,500.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-156,876.			
	b **Net investment income** (if negative, enter -0-)		382,562.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

SCANNED JUL 26 2011

RECEIVED
JUL 20 2011
IRS-OSC
OGDEN, UT

923501
02-02-10

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

Form **990-PF** (2009)

3

Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	810,568.	636,450.	636,450.
	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 7	2,922,499.	1,182,237.	1,312,303.
	c	Investments - corporate bonds STMT 8	4,699,896.	6,668,017.	6,563,542.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶	225,875.		
	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)	8,658,838.	8,486,704.	8,512,295.
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 ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	0.	0.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	8,658,838.	8,486,704.	
	30	**Total net assets or fund balances**	8,658,838.	8,486,704.	
	31	**Total liabilities and net assets/fund balances**	8,658,838.	8,486,704.	

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	8,658,838.
2	Enter amount from Part I, line 27a	2	-156,876.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	8,501,962.
5	Decreases not included in line 2 (itemize) ▶ SECURITIES BASIS ADJUSTMENT	5	15,258.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	8,486,704.

Form **990-PF** (2009)

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 STATEMENTS			
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	3,853,471.		3,815,161.	38,310.

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				38,310.

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 38,310.

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	397,670.	7,833,338.	.050766
2007	407,705.	8,674,974.	.046998
2006	278,498.	5,733,399.	.048575
2005	123,804.	2,343,559.	.052827
2004	102,000.	2,322,755.	.043913

2	Total of line 1, column (d)	2	.243079
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	.048616
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	8,293,279.
5	Multiply line 4 by line 3	5	403,186.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	3,826.
7	Add lines 5 and 6	7	407,012.
8	Enter qualifying distributions from Part XII, line 4	8	435,500.

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	3,826.
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	3,826.
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	3,826.
6 Credits/Payments:				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	9,166.		
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	9,166.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10 **Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	5,340.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶		5,340. **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) ▶ MA			
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

Form **990-PF** (2009)

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 ▶ WWW.HORNEFAMILYFOUNDATION.ORG

14 The books are in care of ▶ WALTER J. FLOWERS Telephone no. ▶617-589-0601

Located at ▶FLOWERS AND MANNING,15 COURT SQ,STE 340, BOSTON, ZIP+4 ▶02108

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

				Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.				
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

Form **990-PF** (2009)

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 9		0.	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

Form **990-PF** (2009)

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	0.
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	7,925,920.
b	Average of monthly cash balances		1b	493,653.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	8,419,573.
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	8,419,573.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	126,294.
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	8,293,279.
6	**Minimum investment return** Enter 5% of line 5		6	414,664.

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	414,664.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 3,826.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	3,826.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	410,838.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	410,838.
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	410,838.

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	435,500.
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	435,500.
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	3,826.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	431,674.

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.

Form **990-PF** (2009)

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					410,838.
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	1,755.				
f **Total** of lines 3a through e		1,755.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 435,500.					
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					410,838.
e Remaining amount distributed out of corpus		24,662.			
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		26,417.			
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		26,417.			
10 Analysis of line 9:					
a Excess from 2005					
b Excess from 2006					
c Excess from 2007					
d Excess from 2008	1,755.				
e Excess from 2009	24,662.				

923581
02-02-10

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

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

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

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

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

TARA V. HORNE, 415-388-1831
38 MILLER AVE PMB#257, MILL VALLEY, CA 94941

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

GRANT APPLICATION AVAILABLE ON WEBSITE

c Any submission deadlines:

MARCH 31 AND SEPTEMBER 30

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

GRANT LIMITATIONS ARE AVAILABLE ON WEBSITE

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	435,500.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(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					243,476.
4 Dividends and interest from securities					100,776.
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					38,310.
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.		0.	382,562.

13 **Total**. Add line 12, columns (b), (d), and (e) 13 382,562.

(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).
1	THE FOUNDATION'S CHARITABLE PURPOSE IS TO FUND AN ANNUAL GIVING PROGRAM FOR THE BENEFIT OF OTHER CIVIC, CHARITABLE, RELIGIOUS, SCIENTIFIC, LITERARY, EDUCATIONAL AND OTHER QUALIFIED ACTIVITIES OF IRC SECTION 501(C)(3) ORGANIZATIONS. ACCORDINGLY, THE FOUNDATION'S SOLE MEANS OF PRODUCING THE FUNDS NECESSARY TO DISTRIBUTE TO SUCH ORGANIZATIONS IS THROUGH THE INVESTMENT OF THE FOUNDATION'S INCOME PRODUCING SECURITIES.

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 — Date 7/15/11 — Title Clerk of Corporation

Paid Preparer's Use Only

Preparer's signature — Date 7/15/11 — Check if self-employed ▶ ☒ — Preparer's identifying number

Firm's name (or yours if self-employed), address, and ZIP code ▶ FLOWERS AND MANNING, LLP
15 COURT SQUARE, SUITE 340
BOSTON, MA 02108

EIN ▶

Phone no. (617) 589-0601

Form 990-PF (2009)

923622
02-02-10

CONTINUATION FOR 990-PF, PART IV

THE HORNE FAMILY FOUNDATION 04-3104008 PAGE 1 OF 2

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	25000 UTS GEORGIA ST SER E	P	12/30/08	12/01/09
b	1 SHS T ROWE PRICE NEW ASIA FD	P	12/16/09	12/17/09
c	DOMINICK & DOMINICK ACCT 0AF-003162 - SEE ATTACHE	P	VARIOUS	VARIOUS
d	DOMINICK & DOMINICK ACCT 0AF-003162 - SEE ATTACHE	P	VARIOUS	VARIOUS
e	120 SHS BP PLC SPONS ADR	P	VARIOUS	06/10/10
f	510 SHS BP PLC SPONS ADR	P	VARIOUS	07/08/10
g	0.0576 SHS FRONTIER COMMUNICATIONS - CASH IN LIEU	P	04/02/07	07/26/10
h	140 SHS FRONTIER COMMUNICATIONS	P	VARIOUS	07/26/10
i	209.0576 SHS FRONTIER COMMUNICATIONS	P	VARIOUS	07/26/10
j	530 SHS MICROSOFT CORP	P	04/20/09	12/29/09
k	100000 SHS FEDERAL FARM CR BKS CONS SYSTEMWIDE BD	P	08/25/08	12/16/09
l	DOMINICK & DOMINICK ACCT 75H-043723 - SEE ATTACHE	P		
m	DOMINICK & DOMINICK ACCT 75H-043723 - SEE ATTACHE	P		
n	BROWN BROTHERS HARRIMAN ACCT 1091011078 - SEE ATT	P	VARIOUS	VARIOUS
o	BROWN BROTHERS HARRIMAN ACCT 1091011078 - SEE ATT	P	VARIOUS	VARIOUS

	(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	25,000.		25,000.	0.
b	34.			34.
c	351,197.		372,979.	-21,782.
d	33,701.		34,290.	-589.
e	20,175.			20,175.
f	1.			1.
g	2,580.			2,580.
h	1,032.		1,118.	-86.
i	1,547.		2,277.	-730.
j	16,631.		9,987.	6,644.
k	103,496.		120,011.	-16,515.
l	798,291.		801,471.	-3,180.
m	1,523,770.		1,516,519.	7,251.
n	80,017.		81,530.	-1,513.
o	595,468.		571,097.	24,371.

	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				0.
b				34.
c				-21,782.
d				-589.
e				20,175.
f				1.
g				2,580.
h				-86.
i				-730.
j				6,644.
k				-16,515.
l				-3,180.
m				7,251.
n				-1,513.
o				24,371.

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	
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	

923591
04-24-09

THE HORNE FAMILY FOUNDATION

CONTINUATION FOR 990-PF, PART IV
04-3104008 PAGE 2 OF 2

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	SALE OF LOT - HAMILTON, MA	D	05/27/06	05/28/10
b	CAPITAL GAINS DIVIDENDS			
c				
d				
e				
f				
g				
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	300,000.		278,882.	21,118.
b	531.			531.
c				
d				
e				
f				
g				
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				21,118.
b				531.
c				
d				
e				
f				
g				
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	38,310.
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
BOSTON PRIVATE TRUST CO	88.
THRU BROWN BROTHERS - INTEREST	2,126.
THRU DOMINICK & DOMINICK - INTEREST	229,387.
US TREASURY	11,875.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	243,476.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
REDUCTION FOR FOREIGN TAX PAID	-196.	0.	-196.
THRU BROWN BROTHERS - DIVIDENDS	40,146.	0.	40,146.
THRU DOMINICK & DOMINICK - DIVIDENDS	62,983.	0.	62,983.
THRU DOMINICK & DOMINICK - REDUCTION FOR FOREIGN TAX PAID	-1,626.	0.	-1,626.
TOTAL TO FM 990-PF, PART I, LN 4	101,307.	0.	101,307.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL & TAX PREPARATION FEES	17,169.	0.		0.
TO FM 990-PF, PG 1, LN 16A	17,169.	0.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
GRANTS PROGRAM COORDINATOR	30,000.	0.		0.
TO FORM 990-PF, PG 1, LN 16C	30,000.	0.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	8,451.	0.		0.
MASSACHUSETTS TAXES/FILING FEES	693.	0.		0.
REAL ESTATE TAX	1,003.	0.		0.
TO FORM 990-PF, PG 1, LN 18	10,147.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES - BBH	3,882.	0.		0.
SUPPLIES	172.	0.		0.
POSTAGE	186.	0.		0.
REAL ESTATE MAINENANCE COSTS	3,573.	0.		0.
INSURANCE	9,717.	0.		0.
INVESTMENT MANAGEMENT FEES - DOMINICK & DOMINICK	29,092.	0.		0.
TO FORM 990-PF, PG 1, LN 23	46,622.	0.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
DOMINICK AND BROWN BROTHERS STOCK	1,182,237.	1,312,303.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,182,237.	1,312,303.

FORM 990-PF CORPORATE BONDS STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
DOMINICK AND BROWN BROTHERS BONDS	6,668,017.	6,563,542.
TOTAL TO FORM 990-PF, PART II, LINE 10C	6,668,017.	6,563,542.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
TIMOTHY P. HORNE 94 PORTER ROAD ANDOVER, MA 01810	MANAGER 0.00	0.	0.	0.
TIMOTHY P. HORNE 94 PORTER ROAD ANDOVER, MA 01810	PRESIDENT 0.00	0.	0.	0.
TIMOTHY P. HORNE 94 PORTER ROAD ANDOVER, MA 01810	TREASURER 0.00	0.	0.	0.
TIMOTHY P. HORNE 94 PORTER ROAD ANDOVER, MA 01810	DIRECTOR 0.00	0.	0.	0.
WALTER J. FLOWERS 7 LYMAN STREET BEVERLY, MA 01915	CLERK 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

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
AKSHYA PATRA FOUNDATION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	20,000.
ANDONA SOCIETY	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
AMERICAN WILDLANDS	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
ASPCA	NA SUPPORTS GENERAL ACTIVITIES	501(C)	12,500.
BOSTON LIVING CENTER	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
CANCER COMMUNITY CENTER	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
CENTER FOR LIFE MANAGEMENT	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
CALIFORNIA ACADEMY OF SCIENCE	NA SUPPORTS GENERAL ACTIVITIES	501(C)	7,500.

BOSTON SYMPHONY ORCHESTRA	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
EDUCATION THROUGH MUSIC	NA SUPPORTS GENERAL ACTIVITIES	501(C)	7,500.
EXECUTIVE SERVICES CORPS NE	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
ENVIRONMENTAL AND ENERGY STUDY INSTITUTE	NA SUPPORTS GENERAL ACTIVITIES	501(C)	15,000.
BREAD & ROSES HOUSING	NA SUPPORTS GENERAL ACTIVITIES	501(C)	15,000.
FOOD FOR THE WORLD	NA SUPPORTS GENERAL ACTIVITIES	501(C)	15,000.
LAMBI FUND OF HAITI	NA SUPPORTS GENERAL ACTIVITIES	501(C)	7,500.
THE FIELD	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
GRAMEEN FOUNDATION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
KEYSTONE MONTESSORI PARENTS	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.

MERRIMAC VALLEY HABITAT FOR HUMANITY	NA SUPPORTS GENERAL ACTIVITIES	501(C)	20,000.
MERRIMACK VALLEY YMCA	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
MUSEUM OF SCIENCE	NA SUPPORTS GENERAL ACTIVITIES	501(C)	20,000.
NATURAL RESOURCES & DEFENSE	NA SUPPORTS CONSERVATION ACTITIVIES	501(C)	5,000.
NEW ENGLAND FORESTRY FOUNDATION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	15,000.
NATIONAL AIDS HOUSING COALITION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	12,500.
FAMILY SERVICE INC	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
RESS FOUNDATION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
SHELTER BOX USA	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
STRONGEST LINK AIDS SERVICE	NA SUPPORTS GENERAL ACTIVITIES	501(C)	15,000.

MAKE A WISH FOUNDATION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
MISSION OF DEEDS	NA SUPPORTS GENERAL ACTIVITIES	501(C)	7,500.
NASHOBA LEARNING GROUP	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
POLLY KLAAS FOUNDATION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	25,000.
SCHOLARSHIP AMERICA	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
TEMPERATE FOREST FOUNDATION	NA SUPPORTS GENERAL ACTIVITIES	501(C)	3,000.
NEW LEADERS FOR NEW SCHOOLS	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
RAIN FOR SAHEL AND SAHARA	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
MARIN HUMANE SOCIETY	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
HARBOR LIGHT STAGE	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.

WESTERN LANDS PROJECT	NA SUPPORTS GENERAL ACTIVITIES	501(C)	5,000.
GROUNDWORK LAWRENCE	NA SUPPORTS GENERAL ACTIVITIES	501(C)	15,000.
WILMINGTON SCHOOL	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
HOUSE OF THE GOOD SHEPHERD	NA SUPPORTS GENERAL ACTIVITIES	501(C)	10,000.
PARCA	NA SUPPORTS GENERAL ACTIVITIES	501(C)	12,500.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			435,500.

2010 Tax Information Statement

Account Number: 1091011078
Recipient's Tax ID Number: 04-3104008

☐ **Corrected**   ☐ **2nd TIN notice**

Recipient's Name and Address:
THE HORNE FAMILY FOUNDATION
FLOWERS & MANNING LLP
15 COURT SQ STE 340
BOSTON, MA 02108-2518

BROWN BROTHERS HARRIMAN
140 BROADWAY
NEW YORK, NY 10005

2010 Proceeds from Broker and Barter Exchange Transactions

Sales are listed at Gross Proceeds less commissions and option premiums.

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
Short Term Sales								
108.0000	12721E102	CADBURY PLC SPONS ADR	06/19/2009	02/11/2010	5,718.75	3,864.19	1,854.56	0.00
113.0000	075896100	BED BATH & BEYOND INC	VARIOUS	03/11/2010	4,650.97	3,683.47	967.50	0.00
884.6540	00080Y884	ASTON RIVER RD SM/MD CAP-I	VARIOUS	03/12/2010	7,714.18	6,550.00	1,164.18	0.00
.6420	30231G102	EXXON MOBIL CORP	10/27/2009	07/20/2010	37.89	39.35	-1.46	0.00
58.0000	929160109	VULCAN MATERIALS COMPANY	10/27/2009	08/09/2010	2,410.44	2,796.74	-386.30	0.00
117.0000	929160109	VULCAN MATERIALS COMPANY	VARIOUS	08/12/2010	4,531.01	5,321.33	-790.32	0.00
945.9480	543069207	LONGLEAF PARTNERS SMALL CAP FD	VARIOUS	08/16/2010	20,735.18	22,700.00	-1,964.82	0 00
1483.2990	92934R116	CRM-SMALL/MID CAP VAL-INST	VARIOUS	08/17/2010	18,125.91	18,300.00	-174.09	0.00
200 0000	845467109	SOUTHWSTN ENERGY CO	08/06/2010	08/24/2010	6,562.09	7,506.00	-943.91	0.00
231.0000	929160109	VULCAN MATERIALS COMPANY	VARIOUS	08/25/2010	8,432.07	10,032.22	-1,600.15	0.00
25.0000	461202103	INTUIT INC	10/28/2009	09/13/2010	1,098.98	736.25	362.73	0.00
75.0000	278642103	EBAY INC	02/05/2010	12/14/2010	2,299.66	1,670.25	629.41	0.00
Total Short Term Sales					**82,317.13** (2299.66) 80017.47	**83,199.80** (1670.25) 81,529 55	**-882.67**	**0.00**
Long Term 15% Sales								
318.9400	92934R116	CRM-SMALL/MID CAP VAL-INST	06/19/2009	08/17/2010	3,897.45	3,250.00	647.45	0.00
100.0000	929160109	VULCAN MATERIALS COMPANY	06/19/2009	08/25/2010	3,650.25	4,349.15	-698.90	0 00

This is important tax information and is being furnished to you.

2010 Tax Information Statement

Account Number: 1091011078
Recipient's Tax ID Number: 04-3104008

☐ **Corrected** ☐ **2nd TIN notice**

Recipient's Name and Address:
THE HORNE FAMILY FOUNDATION
FLOWERS & MANNING LLP
15 COURT SQ STE 340
BOSTON, MA 02108-2518

BROWN BROTHERS HARRIMAN
140 BROADWAY
NEW YORK, NY 10005

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
205.0000	461202103	INTUIT INC	VARIOUS	09/21/2010	9,309.28	5,758.67	3,550.61	0.00
54971.3190	05528X802	BBH BROAD MARKET FIXED INCOME	VARIOUS	10/14/2010	575,000.00	555,530.07	19,469.93	0.00
75.0000	461202103	INTUIT INC	10/28/2009	11/01/2010	3,611.07	2,208.75	1,402.32	0.00
Total Long Term 15% Sales					**595,468.05**	**571,096.64**	**24,371.41**	**0.00**

This is important tax information and is being furnished to you.

Schedule of Sales/Redemptions/Maturities

For Period: January 1, 2009 to December 31, 2009

Trade Date	Par/ Shares	Security Description	Purchase Date	Original Cost	Amortization/ Accretion *	Adjusted Cost	Price	Disposition Proceeds	Gain/ (Loss)
06/23/09	140,000	BBH MONEY MARKET FUND 0.010%	04/15/09	140,000 00	0.00	140,000.00	1.00	140,000.00	
08/01/09	50,000	MASSACHUSETTS ST N/C FGIC 6 000% 08/01/09	12/30/08	51,509.50	-1,509.50	50,000.00	100.00	50,000.00	
08/15/09	25,000	MASSACHUSETTS ST SCH BLDG AUTH SER A N/C 5.000% 08/15/09	01/02/09	25,601.75	-601.75	25,000.00	100 00	25,000 00	
09/30/09	280,000	BBH MONEY MARKET FUND 0.010%	04/15/09	280,000 00	0.00	280,000.00	1.00	280,000 00	
10/08/09	3,000	BBH MONEY MARKET FUND 0 010%	03/19/09	3,000.00	0 00	3,000 00	1.00	3,000 00	
10/12/09	100	WALGREEN CO	06/19/09	3,157 00	0.00	3,157 00	38.97	3,897 21	740 21
10/21/09	1,000	BBH MONEY MARKET FUND 0.010%	03/19/09	1,000.00	0 00	1,000.00	1.00	1,000 00	
10/26/09	5,000	BBH MONEY MARKET FUND 0 010%	03/19/09	5,000 00	0 00	5,000.00	1.00	5,000 00	
10/30/09	100,000	BBH MONEY MARKET FUND 0.010%	03/19/09	100,000.00	0 00	100,000.00	1.00	100,000.00	
11/13/09	17	CADBURY PLC SPONS ADR	06/19/09	608 25	0.00	608.25	51.39	873.65	265.40
11/13/09	108	CADBURY PLC SPONS ADR	08/27/09	4,042.43	0.00	4,042.43	51.39	5,550 23	1,507 80
12/01/09	25,000	GEORGIA ST SER E N/C 6 750% 12/01/09	12/30/08	26,268.75	-1,268.75	25,000.00	100.00	25,000 00	
12/17/09	1	T ROWE PRICE NEW ASIA FUND	12/16/09	0 00	0 00	0 00	34 33	34.33	34.33
		Total Short-Term Capital Gains/(Losses)		**2,634,172.90**	**-3,380.00**	**2,630,792.90**		**2,633,340.64**	**2,547.74**
		Long-Term Capital Gains/(Losses)							
06/19/09	55	AFLAC INC	06/30/06	2,503.05	0.00	2,503.05	31.16	1,713.75	(789 30)
06/19/09	14	AFLAC INC	01/12/07	643.30	0.00	643.30	31 16	436 23	(207 07)
09/25/09	25	CURRENCY SHARES EURO TRUST	10/24/06	3,157.75	0.00	3,157.75	146 44	3,661 07	503.32
09/25/09	80	CURRENCY SHARES EURO TRUST	12/10/07	11,736 80	0 00	11,736.80	146.44	11,715 43	(21.37)

→
Not on 2009 1099
Included anyway

---

* Indicates an amortized or accreted cost. Please consult with your tax preparer as to the appropriate treatment.

All data above is based on information that we believe to be correct but cannot guarantee for tax reporting purposes. This information should be checked against your records and verified by your tax preparer.

REPORTING PERIOD: **09/30/10 through 12/31/10**
ACCOUNT NAME: Horne Family Foundation
ACCOUNT NUMBER: 0AF-003162
PERFORMANCE INCEPTION: 08/13/09

YTD Realized Gains/Losses

Security Description	Symbol/ CUSIP	Quantity	Open Date	Close Date	Cost		Proceeds		Gain/Loss
					Unit	Total	Unit	Total	
SHORT-TERM									
SANOFI AVENTIS SPONS ADR	80105N105	60.000	08/13/09	02/16/10	32.80	1,968.00	36.29	2,177.37	209.37
SONY CORP ADR AMERN SH NEW	835699307	62.000	02/08/10	02/16/10	33.15	2,055.18	33.85	2,098.67	43.49
SONY CORP ADR AMERN SH NEW	835699307	180.000	02/08/10	04/12/10	33.15	5,966.66	36.63	6,593.62	626 96
CEMEX S A B DE C V SPONSOR ADR NEW REP	151290889	0.800	10/05/09	06/10/10	11.90	9.52	10.40	8.32	- 1.20
MAGNA INTERNATIONAL INC COM	559222401	53.000	07/19/10	08/11/10	71.50	3,789.50	75.67	4,010.44	220.94
DAIMLER AG REG SHS	D1668R123	27.000	04/12/10	08/17/10	48.09	1,298.43	52.83	1,426.38	127.95
TYCO ELECTRONICS LTD SWITZERLAND	H8912P106	320 000	01/06/10	08/17/10	25.19	8,060.19	26.83	8,586.06	525.87
NEC CORP LTD ORD ISIN#JP3733000008	J48818124	1,400.000	07/19/10	08/17/10	3.50	4,900.00	2.20	3,080.00	- 1,820.00
AEGON N V ORD AMER REG	007924103	750.000	11/02/09	08/17/10	7.05	5,286.08	5.93	4,448.10	- 837.98
AKZO NV SPON ADR	010199305	92.000	05/11/10	08/17/10	53.60	4,931.20	56 60	5,207.11	275.91
ALCATEL LUCENT SPON ADR	013904305	1,900.000	05/11/10	08/17/10	2.67	5,069.39	2.80	5,321.62	252.23
ASTRAZENECA PLC SPONSORED ADR	046353108	215.000	09/09/09	08/17/10	45.15	9,706.82	51.78	11,132.92	1,426.10
BP PLC SPONS ADR	055622104	90 000	10/05/09	08/17/10	51.34	4,620.60	38.15	3,433.44	- 1,187.16
BRITISH SKY BROADCASTING GROUP	111013108	165.000	05/11/10	08/17/10	35.39	5,839.35	44.05	7,268.12	1,428.77
CANON INC ADR REPSTG 5 SHS	138006309	226.000	02/08/10	08/17/10	39.08	8,831.65	41.87	9,462.89	631.24
CAREFOUR SA ADR	144430105	1,100.000	12/01/09	08/17/10	9.67	10,638.98	9.31	10,240.82	- 398.16

Performance Inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.

REPORTING PERIOD: **09/30/10 through 12/31/10**
ACCOUNT NAME: Horne Family Foundation
ACCOUNT NUMBER: 0AF-003162
PERFORMANCE INCEPTION. 08/13/09

YTD Realized Gains/Losses

continued from previous page

Security Description	Symbol/ CUSIP	Quantity	Open Date	Close Date	Cost Unit	Cost Total	Proceeds Unit	Proceeds Total	Gain/Loss
SHORT-TERM									
CEMEX S A B DE C V SPONSOR ADR NEW REP	151290889	436.000	10/05/09	08/17/10	11.90	5,189.24	8.77	3,824.09	- 1,365.15
ELECTROBRAS CENTRAIS ELECTRICIAS ADR	15234Q207	500.000	12/01/09	08/17/10	18.10	9,049.05	12.90	6,450.84	- 2,598.21
DAIICHI SANKYO KABUSHIKI KAISHA	23380A109	116.000	04/12/10	08/17/10	18.87	2,188.92	19.41	2,251.52	62.60
ENI SPA SPONSORED ADR	26874R108	175.000	03/12/10	08/17/10	47.93	8,387.42	41.63	7,285.45	- 1,101.97
ERICSSON L M TEL CO ADR CL B SEK 10 NEW	294821608	875.000	02/08/10	08/17/10	9.67	8,459.59	10.77	9,424.47	964.88
FRANCE TELECOM SPONSORED ADR	35177Q105	355.000	01/06/10	08/17/10	25.75	9,140.58	21.39	7,593.99	- 1,546.59
FUJI HEAVY INDS LTD ADR	359556206	97.000	05/11/10	08/17/10	55.25	5,359.25	55.42	5,375.64	16.39
FUJIFILM HLDGS CORP ADR 2 ORD	35958N107	229.000	03/12/10	08/17/10	33.95	7,774.55	31.00	7,098.88	- 675.67
GLAXOSMITHKLINE PLC SPONS ADR	37733W105	255.000	09/09/09	08/17/10	39.31	10,023.54	38.00	9,690.31	- 333.23
INTESA SANPAOLO S P A SPON ADR	46115H107	210.000	12/01/09	08/17/10	26.85	5,638.50	18.40	3,863.93	- 1,774.57
INTESA SANPAOLO S P A SPON ADR	46115H107	75.000	04/12/10	08/17/10	22.80	1,710.00	18.40	1,379.98	- 330.02
J SAINSBURY PLC SPONSORED ADR NEW	466249208	320.000	04/12/10	08/17/10	21.38	6,841.60	22.07	7,062.28	220.68
KT CORP SPON ADR	48268K101	188.000	07/19/10	08/17/10	17.75	3,336.64	18.82	3,538.46	201.82
KINGFISHER PLC SPONSORED ADR	495724403	1,140.000	04/12/10	08/17/10	7.16	8,162.40	6.37	7,261.67	- 900.73
KONINKLIJKE AHOLD NV SPONS ADR 2007	500467402	800.000	11/02/09	08/17/10	12.83	10,264.00	12.78	10,223.82	- 40.18
KOREA ELEC PWR CO SPONSORED ADR RPSTG	500631106	446.000	02/08/10	08/17/10	16.03	7,148.53	13.23	5,901.33	- 1,247 20

Performance Inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.

ING PERIOD: **09/30/10 through 12/31/10**
IT NAME. Horne Family Foundation
IT NUMBER: 0AF-003162
MANCE INCEPTION: 08/13/09

D Realized Gains/Losses

from previous page

Description	Symbol/ CUSIP	Quantity	Open Date	Close Date	Cost		Proceeds		Gain/Loss
					Unit	Total	Unit	Total	
TERM									
INS GROUP ADR	553491101	770.000	10/05/09	08/17/10	13.00	10,010.00	11.83	9,108.94	- 901.06
& SPENCER PLC SPONSORED	570912105	1,030.000	10/05/09	08/17/10	11.29	11,628.70	10.48	10,794.21	- 834.49
BISHI UFJ FINL INC SPON ADR	606822104	1,340.000	05/11/10	08/17/10	5.03	6,737.65	4.91	6,580 49	- 157.16
O FINANCIAL INC SPON ADR	60687Y109	1,540 000	07/19/10	08/17/10	3.14	4,834.37	3.13	4,821.50	- 12.87
MOTOR LTD ADR	654744408	381.000	03/12/10	08/17/10	16.94	6,454.14	15.05	5,733.95	- 720.19
CORP ORED ADR	654902204	775.000	12/01/09	08/17/10	13.43	10,406.78	8.93	6,921.33	- 3,485.45
GAL TELECOMM A SPONSORED	737273102	687.000	04/12/10	08/17/10	11.31	7,772.86	11.69	8,031.65	258.79
ECOM LTD ORED ADR	78440P108	475.000	01/06/10	08/17/10	16.50	7,836.60	16.11	7,653.02	- 183 58
EPSON CORP NSORED ADR	81603X108	710.000	07/19/10	08/17/10	6.43	4,562.32	7.02	4,984.11	421.79
ORP ADR SH NEW	835699307	114.000	02/08/10	08/17/10	33.15	3,778.88	30.04	3,424.72	- 354.16
ORP ADR SH NEW	835699307	62.000	02/16/10	08/17/10	33.88	2,100.56	30.04	1,862.56	- 238.00
ROELECTRONICS N Y REGISTRY	861012102	744 000	03/12/10	08/17/10	9 12	6,783.87	7.69	5,721.93	- 1,061.94
MO MITSUI FINL INC ADR	86562M100	1,680.000	07/19/10	08/17/10	2.81	4,720.80	2.97	4,989.51	268.71
REINSURANCE ADR	870887205	160.000	03/12/10	08/17/10	47.40	7,584.00	41.95	6,711.88	- 872.12
OM SPON ADR	871013108	276.000	01/06/10	08/17/10	38.40	10,598 40	37.43	10,330.50	- 267.90
A ACEUTICAL CO	874060205	223.000	07/19/10	08/17/10	22.23	4,957.29	23.22	5,177.97	220 68

ce inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.

REPORTING PERIOD. **09/30/10 through 12/31/10**
ACCOUNT NAME. Horne Family Foundation
ACCOUNT NUMBER: 0AF-003162
PERFORMANCE INCEPTION: 08/13/09

YTD Realized Gains/Losses

continued from previous page

Security Description	Symbol/ CUSIP	Quantity	Open Date	Close Date	Cost Unit	Cost Total	Proceeds Unit	Proceeds Total	Gain/Loss
SHORT-TERM									
TELECOM ITALIA S P A NEW SPONS ADR	87927Y102	676.000	09/09/09	08/17/10	17.41	11,770.92	13.69	9,255.02	- 2,515.90
TELECOM ARGENTINA S A SPONSORED ADR	879273209	275.000	07/19/10	08/17/10	16.87	4,638.73	20.03	5,508.67	869.94
TELEFONICA S A ADR SPONS ADR	879382208	84.000	11/02/09	08/17/10	84.53	7,100.52	67.81	5,695.94	- 1,404.58
TELEFONOS DE MEXICO SA DE CV ADR CLASS L	879403780	214.000	07/19/10	08/17/10	14.40	3,081.60	15.07	3,225.33	143 73
TOKIO MARINE HLDGS INC ADR	889094108	240.000	05/11/10	08/17/10	28.20	6,768.00	26.87	6,448.69	- 319.31
TOTAL S A SPONSORED ADR	89151E109	140 000	04/12/10	08/17/10	59.96	8,394.13	50.60	7,084.15	- 1,309.98
TOYOTA MTR CO SPON ADR	892331307	45.000	10/05/09	08/17/10	74.60	3,357.00	70.79	3,185.58	- 171.42
TOYOTA MTR CO SPON ADR	892331307	75.000	08/11/10	08/17/10	70.58	5,293.50	70.79	5,309.30	15.80
UNILEVER NV NEW YORK SHS NEW	904784709	311.000	11/02/09	08/17/10	31.08	9,665.29	27.37	8,512.51	- 1,152.78
VODAFONE GROUP PLC SPON ADR NEW	92857W209	285.000	05/11/10	08/17/10	20.56	5,859.60	24.06	6,857.52	997.92
WOLTERS KLUWER N V SPON ADR	977874205	233.000	07/19/10	08/17/10	19.90	4,636.70	19.50	4,543.42	- 93.28
TOTAL SHORT-TERM									**-$ 21,781.63**

Performance Inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.

REPORTING PERIOD: **09/30/10 through 12/31/10**
ACCOUNT NAME: Horne Family Foundation
ACCOUNT NUMBER: 0AF-003162
PERFORMANCE INCEPTION: 08/13/09

YTD Realized Gains/Losses

continued from previous page

Security Description	Symbol/ CUSIP	Quantity	Open Date	Close Date	Cost		Proceeds		Gain/Loss
					Unit	Total	Unit	Total	
LONG-TERM									
DEUTSCHE TELEKOM AG SPONSORED ADR	251566105	906.000	08/13/09	08/17/10	12.92	11,705.52	13.51	12,239.85	534.33
NIPPON TELEG & TELEPHONE CORP	654624105	550.000	08/13/09	08/17/10	21.68	11,924.00	21.80	11,990.29	66.29
SANOFI AVENTIS SPONS ADR	80105N105	325.000	08/13/09	08/17/10	32.80	10,660.00	29.14	9,470.95	- 1,189.05
TOTAL LONG-TERM									**-$ 588.43**
TOTAL REALIZED GAINS/LOSSES									**-$ 22,370.06**

Disclosures

The Schedule of Realized Gains and Losses is not reported to the IRS. This Schedule may not reflect all cost basis adjustments necessary for tax reporting purposes; for example, it does not reflect disallowed losses from wash sale events. Adjustments to cost basis may have been made for prior income received and subsequently reclassified by the issuer as a return of capital. Typically these adjustments are received after year-end and there may be differences in cost basis reflected on your monthly client brokerage statement at year end versus any subsequent reports or online displays you may have available to you. Return of capital information has been obtained from sources we believe to be reliable.

When you report your cost basis on your tax return, it should be verified with your own records. In particular, there may be other adjustments which you need to make and you should consult with your tax advisor in order to properly report your gain or loss for tax purposes. Pershing shall not be responsible for and makes no representations or warranties with respect to the accuracy of any information that you report to the IRS or other taxing authorities, and, accordingly, disclaims any and all liability that may arise with respect to your use and reliance on the information provided herein for such reporting.

Cost basis on fixed income securities is adjusted for amortization, accretion or principal paydowns. These calculations will not be performed under certain circumstances, including those involving continuously callable bonds, foreign bonds, variable rates, bonds in default, index-linked bonds, bonds sold short or bonds that have a negative yield.

CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS
January 1, 2010 - September 30, 2010
For Horne Family Foundation

Account Number : 30W-002990

Shares/ Units	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
	Short-Term					
	Equity					
50	BP PLC SPONSORED ADR	12/02/09	06/10/10	2,946.50	1,601.22	-1,345.28
70	BP PLC SPONSORED ADR	02/08/10	06/10/10	3,717.00	2,241.70	-1,475.30
22	FRONTIER COMMUNICATIONS CORP COM	09/16/09	07/26/10	178.24	160.13	-18.11
34	FRONTIER COMMUNICATIONS CORP COM	11/05/09	07/26/10	269.79	249.09	-20.70
24	FRONTIER COMMUNICATIONS CORP COM	02/08/10	07/26/10	188.12	177.92	-10.20
24	FRONTIER COMMUNICATIONS CORP COM	03/04/10	07/26/10	191.86	177.92	-13.94
24	FRONTIER COMMUNICATIONS CORP COM	04/08/10	07/26/10	197.83	177.92	-19.91
12	FRONTIER COMMUNICATIONS CORP COM	06/09/10	07/26/10	91.80	88.96	-2.84
						$-2,906.28
	Total Short-Term Realized Gains or Losses			$7,781.14	$4,874.86	$-2,906.28
	Long-Term					
	Equity					
290	BP PLC SPONSORED ADR	04/02/07	06/10/10	18,873.20	9,287.04	-9,586.16
220	BP PLC SPONSORED ADR	12/18/07	06/10/10	16,061.01	7,045.35	-9,015.66
0.0576	FRONTIER COMMUNICATIONS CORP COM	04/02/07	07/08/10	0.59	0.41	-0.18

140

1117.64

1031.94

Please see important disclosures regarding performance, fees, and benchmarks at the end of this report.

CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

January 1, 2010 - September 30, 2010
For Horne Family Foundation

Account Number : 30W-002990

Shares/ Units	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
120	FRONTIER COMMUNICATIONS CORP COM	04/02/07	07/26/10	1,231.61	889.20	-342.41
89	FRONTIER COMMUNICATIONS CORP COM	12/18/07	07/26/10	1,045.19	658.32	-386.87
				2276.80	1547.1	$-19,331.28
	Total Long-Term Realized Gains or Losses			$37,211.60	$17,880.32	$-19,331.28

Please see important disclosures regarding performance, fees, and benchmarks at the end of this report.

Statement Period: 12/01/2010 - 12/31/2010

Schedule of Realized Gains and Losses Year-to-Date

Disposition Date	Acquisition Date	Closing Transaction	Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Short Term								
05/20/10	04/20/10	SELL	FEDERAL HOME LN MTG CORP MEDIUM TERM NTS Original Cost Basis: 150,940.19	3128X93L2	150,000.000	150,905.93	148,495.50	-2,410.43
07/06/10	04/20/10	SELL	FEDERAL HOME LN MTG CORP MEDIUM TERM NTS Original Cost Basis: 100,626.79	3128X93L2	100,000.000	100,564.88	99,795.50	-769.38
10/19/10	08/23/10	RDMG	FEDERAL NATL MTG ASSN MEDIUM TERM NTS Original Cost Basis: 75,522.02	3136FJFQ9	75,000.000	74,999.99	75,000.00	0.01
11/16/10	08/23/10	RDMG	FEDERAL NATL MTG ASSN MEDIUM TERM NTS Original Cost Basis: 378,531.40	3136FJMV0	375,000 000	374,999.98	375,000 00	0.02
11/16/10	09/15/10	RDMG	FEDERAL NATL MTG ASSN MEDIUM TERM NTS Original Cost Basis: 100,717.00	3136FJMV0	100,000.000	100,000.00	100,000.00	0.00
Total Short Term						**$801,470.78**	**$798,291.00**	**-$3,179.78**
Long Term								
02/02/10	08/25/08	SELL	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS Original Cost Basis: 51,192.02	31331XQG0	50,000.000	51,100.19	52,397.75	1,297.56
02/02/10	11/04/08	SELL	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS Original Cost Basis: 49,144.30	31331XQG0	50,000.000	49,200.61	52,397.75	3,197.14
03/03/10	11/04/08	SELL	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS Original Cost Basis: 73,716.45	31331XQG0	75,000.000	73,807.02	78,783.00	4,975.98
04/07/10	03/26/07	SELL	FEDERAL HOME LN MTG CORP MEDIUM TERM NTS Original Cost Basis: 101,731.13	3128X4W72	100,000.000	100,454.75	102,995.50	2,540.75
04/21/10	08/18/08	RDMG	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS Original Cost Basis: 202,019 67	31331SVA8	200,000.000	200,000.00	200,000.00	0.00
05/04/10	08/13/08	SELL	FEDERAL HOME LN BKS BOND Original Cost Basis: 100,959.80	3133XRYW4	100,000 000	100,959.80	100,405.50	-554.30
05/17/10	07/26/07	SELL	JPMORGAN CHASE CAP XXIV GTD CAP SECS	JPM PR	500.000	12,504.50	12,098.29	-406.21
05/17/10	12/18/07	SELL	JPMORGAN CHASE CAP XXIV GTD CAP SECS	JPM PR	1,000.000	23,854.50	24,196 59	342.09
06/09/10	07/24/08	SELL	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS Original Cost Basis: 100,401.79	31331VCP9	100,000.000	100,068.81	100,495.50	426.69
08/20/10	08/13/08	RDMG	FEDERAL HOME LN BKS BOND Original Cost Basis: 151,439.70	3133XRYW4	150,000.000	151,439.70	150,000.00	-1,439.70
08/20/10	08/20/08	RDMG	FEDERAL HOME LN BKS BOND Original Cost Basis: 253,129.50	3133XRYW4	250,000.000	253,129.50	250,000.00	-3,129 50

[redacted]

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Closing Transaction	Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Long Term *(continued)*								
08/25/10	03/21/07	RDMG	FEDERAL HOME LN BKS BND SERIES B7-2014 Original Cost Basis: 253,882.78	3133XGPP3	250,000.000	250,000.00	250,000.00	0 00
10/19/10	07/24/08	RDMG	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS Original Cost Basis: 150,602.35	31331VCP9	150,000.000	149,999.65	150,000 00	0.35
Total Long Term						**$1,516,519.03**	**$1,523,769.88**	**$7,250.85**
Total Short Term and Long Term						**$2,317,989.81**	**$2,322,060.88**	**$4,071.07**

The Schedule of Realized Gains and Losses is not reported to the IRS. This Schedule may not reflect all cost basis adjustments necessary for tax reporting purposes; for example, it does not reflect disallowed losses from wash sale events. Adjustments to cost basis may have been made for prior income received and subsequently reclassified by the issuer as a return of capital. Typically these adjustments are received after year-end and there may be differences in cost basis reflected on your monthly client brokerage statement at year end versus any subsequent reports or online displays you may have available to you. Return of capital information has been obtained from sources we believe to be reliable.

When you report your cost basis on your tax return, it should be verified with your own records. In particular, there may be other adjustments which you need to make and you should consult with your tax advisor in order to properly report your gain or loss for tax purposes. Pershing shall not be responsible for and makes no representations or warranties with respect to the accuracy of any information that you report to the IRS or other taxing authorities, and, accordingly, disclaims any and all liability that may arise with respect to your use and reliance on the information provided herein for such reporting.

Cost Basis on fixed income securities is adjusted for amortization, accretion or principal paydowns. The method of calculation is based upon the type of fixed income security and certain attributes, obtained from sources believed to be reliable. In the event, one or more of these attributes is changed, there may be a temporary incorrect adjusted cost basis reflected until the portfolio system is amended to reflect this change. These calculations will not be performed under certain circumstances, including those involving continuously callable bonds, foreign bonds, variable rates, bonds in default, index-linked bonds, bonds sold short or bonds that have a negative yield. This information is meant as a general guide and you should consult your tax advisor in the preparation of your tax returns.

Transactions by Type of Activity

Process/ Settlement Date	Trade/ Transaction Date	Activity Type	Description	Quantity	Price	Accrued Interest	Amount	CCY
Securities Bought and Sold								
12/07/10	12/06/10	PURCHASED	FEDERAL HOME LN MTG CORP FREDDIE NTS FIXED RATE 5.000% 03/15/30 B/E DTD 03/04/10 CLB YLD -.061 TO PAR	145,000.000	101.3750	-1,651.39	-148,649.64	USD
12/09/10	12/08/10	PURCHASED	FEDERAL FARM CR BKS CONS SYSTEMWIDE BDS CONS BOND 5 450% 02/22/40 B/E DTD 02/22/10 CLB YLD 3.120 TO PAR	200,000 000	102.7220	-3,239 72	-208,688 22	USD
12/09/10	12/08/10	PURCHASED	FEDERAL NATL MTG ASSN MEDIUM TERM NTS WITH 10 DAY CALL NO FIXED RATE 5.250% 03/04/30 B/E DTD 03/04/10 CLB YLD .972 TO PAR	100,000.000	101.0000	-1,385.42	-102,389.92	USD
Total Securities Bought and Sold						**-$6,276.53**	**-$459,727.78**	

Form **8868**
(Rev January 2011)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Type or print	Name of exempt organization THE HORNE FAMILY FOUNDATION	**Employer identification number** 04-3104008
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P O. box, see instructions C/O FLOWERS AND MANNING, 15 COURT SQ., NO. 340	
	City, town or post office, state, and ZIP code For a foreign address, see instructions BOSTON, MA 02108	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ WALTER J. FLOWERS - FLOWERS AND MANNING,15 COURT SQ,STE 340 - BOSTON, MA 02108

  Telephone No.▶ 617-589-0601 FAX No ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ▶ ☐ If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until JULY 15, 2011 , to file the exempt organization return for the organization named above The extension is for the organization's return for:

▶ ☐ calendar year ______ or

▶ ☒ tax year beginning DEC 1, 2009 , and ending NOV 30, 2010

2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return

☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 3,826.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 9,166.
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

LHA **For Paperwork Reduction Act Notice, see Instructions.** Form **8868** (Rev 1-2011)

923841
01-03-11