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Department of the Treasury  
Internal Revenue ServiceReturn of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation

OMB No 1545-0052

2010

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

For calendar year 2010, or tax year beginning , and ending

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return  
☐ Amended return ☐ Address change ☐ Name change

Name of foundation <b>DONALD C. BRACE FOUNDATION</b>		A Employer identification number <b>13-3442680</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>c/o Robert A. Beer, 30 Maltbie Road</b>	Room/suite	B Telephone number <b>(203) 426-3093</b>
City or town, state, and ZIP code <b>Newtown, CT 06470</b>		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input checked="" type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 437,232.4</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
(Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

## Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	41.	41.	41.	Statement 1
4 Dividends and interest from securities	93301.	93301.	93301.	Statement 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	295006.			
b Gross sales price for all assets on line 6a	1364391.			
7 Capital gain net income (from Part IV, line 2)		295006.		
8 Net short-term capital gain			N/A	
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	388348.	388348.	93342.	
13 Compensation of officers, directors, trustees, etc.	32500.	16250.	0.	16250.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees Stmt 3	12500.	6250.	0.	6250.
c Other professional fees Stmt 4	63578.	63578.	0.	0.
17 Interest				
18 Taxes				
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses				
24 Total operating and administrative expenses. Add lines 13 through 23	108578.	86078.	0.	22500.
25 Contributions, gifts, grants paid	345000.			345000.
26 Total expenses and disbursements. Add lines 24 and 25	453578.	86078.	0.	367500.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-65230.			
b Net investment income (if negative, enter -0-)		302270.		
c Adjusted net income (if negative, enter -0-)			93342.	

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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	130884.	74856.	74856.
	2 Savings and temporary cash investments			
	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	3370039.	3360837.	4297468.
	c Investments - corporate bonds			
Liabilities	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)	3500923.	3435693.	4372324.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	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.		
Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	4734431.	4734431.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	-1233508.	-1298738.	
	30 Total net assets or fund balances	3500923.	3435693.	
31 Total liabilities and net assets/fund balances	3500923.	3435693.		

## 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	3500923.
2 Enter amount from Part I, line 27a	2	-65230.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	3435693.
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	3435693.

**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.)
<b>1a</b>			
<b>b</b> See Attached Statement			
<b>c</b>			
<b>d</b>			
<b>e</b>			

  

(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)
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b> 1364391.		1069385.	295006.

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))
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			295006.

**2** Capital gain net income or (net capital loss) 295006.

**3** Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): 5472.

If gain, also enter in Part I, line 8, column (c).  
If (loss), enter -0- in Part I, line 8

**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))
2009	390500.	4009180.	.097401
2008	518000.	5545480.	.093409
2007	631300.	6864918.	.091960
2006	659832.	6510413.	.101350
2005	607904.	6390363.	.095128

  

<b>2</b> Total of line 1, column (d)	2	.479248
<b>3</b> 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	.095850
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	4268518.
<b>5</b> Multiply line 4 by line 3	5	409137.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	6	3023.
<b>7</b> Add lines 5 and 6	7	412160.
<b>8</b> Enter qualifying distributions from Part XII, line 4	8	367500.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	6045.
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	6045.
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	6045.
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a 12333.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c 5000.		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	17333.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	11288.	
11 Enter the amount of line 10 to be Credited to 2011 estimated tax 7500. Refunded	11	3788.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) CT		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>ROBERT A BEER</u> Telephone no. ► <u>203-426-3093</u> Located at ► <u>30 MALTBIE ROAD, NEWTOWN, CT</u> ZIP+4 ► <u>06470</u>			
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	
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is <b>not</b> 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.) <u>N/A</u>	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2010 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 2010) <u>N/A</u>	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 2010?	4b	X

Form 990-PF (2010)

**Part VII-B** Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

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

6b

X

If "Yes" to 6b, file Form 8870

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 5		32500.	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 (2010)





**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	4180995.
<b>b</b> Average of monthly cash balances	<b>1b</b>	152526.
<b>c</b> Fair market value of all other assets	<b>1c</b>	
<b>d</b> Total (add lines 1a, b, and c)	<b>1d</b>	4333521.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	4333521.
<b>4</b> Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	65003.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	4268518.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	213426.

**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.)

<b>1</b> Minimum investment return from Part X, line 6		<b>1</b>	213426.
<b>2a</b> Tax on investment income for 2010 from Part VI, line 5	<b>2a</b>	6045.	
<b>b</b> Income tax for 2010. (This does not include the tax from Part VI.)	<b>2b</b>		
<b>c</b> Add lines 2a and 2b	<b>2c</b>	6045.	
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	207381.	
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.	
<b>5</b> Add lines 3 and 4	<b>5</b>	207381.	
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>	0.	
<b>7</b> Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	207381.	

**Part XII Qualifying Distributions** (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b> Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	367500.
<b>b</b> Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b> Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	367500.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	0.
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	367500.

**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 2009	(c) 2009	(d) 2010
<b>1</b> Distributable amount for 2010 from Part XI, line 7				207381.
<b>2</b> Undistributed income, if any, as of the end of 2010				
<b>a</b> Enter amount for 2009 only			0.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2010:				
<b>a</b> From 2005	290582.			
<b>b</b> From 2006	339247.			
<b>c</b> From 2007	297917.			
<b>d</b> From 2008	243317.			
<b>e</b> From 2009	190602.			
<b>f</b> Total of lines 3a through e	1361665.			
<b>4</b> Qualifying distributions for 2010 from Part XII, line 4: ► \$	367500.			
<b>a</b> Applied to 2009, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2010 distributable amount				207381.
<b>e</b> Remaining amount distributed out of corpus	160119.			
<b>5</b> Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:	1521784.			
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> 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.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2005 not applied on line 5 or line 7	290582.			
<b>9</b> Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	1231202.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2006	339247.			
<b>b</b> Excess from 2007	297917.			
<b>c</b> Excess from 2008	243317.			
<b>d</b> Excess from 2009	190602.			
<b>e</b> Excess from 2010	160119.			



**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
<b>a</b> <i>Paid during the year</i> <b>SEE ATTACHED SCHEDULE</b>				<b>345000.</b>
<b>Total</b>			<b>▶ 3a</b>	<b>345000.</b>
<b>b</b> <i>Approved for future payment</i>  <b>None</b>				
<b>Total</b>			<b>▶ 3b</b>	<b>0.</b>





**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			09/16/09	08/10/10
b	MERRILL LYNCH #840-17959		04/09/10	06/28/10
c	MERRILL LYNCH #840-17959		03/02/10	03/02/10
d	MERRILL LYNCH #840-17959		02/23/04	04/06/10
e	MERRILL LYNCH #840-17959		06/19/01	04/23/10
f	MERRILL LYNCH #840-96405		07/21/10	07/22/10
g	MERRILL LYNCH #840-96405		11/03/10	11/04/10
h	MERRILL LYNCH #840-96405		07/29/09	09/24/10
i	MERRILL LYNCH #840-96405		07/30/07	03/26/10
j	MERRILL LYNCH #840-96405		07/28/10	07/29/10
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 11608.		10431.	1177.
b 14789.		15029.	-240.
c 10.			10.
d 690614.		325055.	365559.
e 231725.		298677.	-66952.
f 106878.		101310.	5568.
g 61097.		62900.	-1803.
h 182033.		150000.	32033.
i 52277.		93383.	-41106.
j 13360.		12600.	760.
k			
l			
m			
n			
o			

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			** 1177.
b			** -240.
c			** 10.
d			365559.
e			-66952.
f			** 5568.
g			** -1803.
h			32033.
i			-41106.
j			** 760.
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	295006.
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	5472.

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

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Source	Amount
BNY MELLON	41.
Total to Form 990-PF, Part I, line 3, Column A	41.

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Form 990-PF Dividends and Interest from Securities Statement 2

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Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
MERRILL LYNCH #840-17959	93146.	0.	93146.
MERRILL LYNCH #840-96405	155.	0.	155.
Total to Fm 990-PF, Part I, ln 4	93301.	0.	93301.

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Form 990-PF Accounting Fees Statement 3

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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
ROBERT A BEER	12500.	6250.	0.	6250.
To Form 990-PF, Pg 1, ln 16b	12500.	6250.	0.	6250.

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Form 990-PF Other Professional Fees Statement 4

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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
MERRILL LYNCH	63578.	63578.	0.	0.
To Form 990-PF, Pg 1, ln 16c	63578.	63578.	0.	0.

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Form 990-PF	Part VIII - List of Officers, Directors Trustees and Foundation Managers	Statement 5
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Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Expense Contrib Account	
DONNA BRACE OGILVIE "ROCKLEDGES" 107 MEADOW ROAD RIVERSIDE, CT 06878	TRUSTEE 0.00	0.	0.	0.
KATHARINE BUTLER 110 FAUBEL STREER SARASOTA, FL 34242	TRUSTEE 0.00	0.	0.	0.
JOHN BRACE LATHAM 437 W WALNUT ST LANCASTER, PA 17603	TRUSTEE 0.00	0.	0.	0.
KAREN SCHEID 14 MOLOAA STREET HONOLULU, HI 96825	TRUSTEE 0.00	0.	0.	0.
ROBERT A BEER,ESQ. 30 MALTBIE ROAD NEWTOWN , CT 06470	TRUSTEE 8.00	32500.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		32500.	0.	0.

**DONALD C. BRACE FOUNDATION**  
**IDENTIFICATION NO. 13-3442680**  
**2010 FORM 990-PF**

**Page 11, Part XV, Line 3, Charitable Contributions Paid**

2-5	Teton Valley Community School	\$ 20,000.00
2-17	Assets School for Karen K. Schied	
	College Scholarship Fund	5,000.00
3-23	Assets School for the Donald C. Brace	
	Learning Resource Center Endowment	150,000.00
3-23	The Academy at Charlemont for the	
	Eric & Dianne Grinnell Scholarship	20,000.00
	Westhampton Cultural Consortium	
	for concerts on the Village Green	
	in Westhampton Beach	15,000.00
4-9	Community Foundation of Teton Valley	25,000.00
4-28	The International Dyslexia Association of	
	Hawaii for Odyssey Project and Public	
	Awareness Project	20,000.00
7-13	Community Foundation of Teton Valley	
	for Friends of the Teton River	15,000.00
10-25	The Academy at Charlemont	30,000.00
	The Literacy Council of Lancaster/Lebanon	20,000.00
	The Caron Foundation for Extended Care	20,000.00
	The Caribbean Museum Center for the Arts	<u>5,000.00</u>
		<b>\$345,000.00</b>

Note: Besides the gifts for specific purposes set forth in the above schedule, the Brace Foundation makes grants for the general purposes of the entities which are public charities. The funds can be used in the discretion of the institutions where the need is the greatest.

**DONALD C. BRACE FOUNDATION**  
**IDENTIFICATION NO. 13-3442680**  
**2010 FORM 990-PF**

**Page 2, Part 11, Balance Sheets**  
**Lines 10b and 10c Investments**

		(b)	(c)
<b>Merrill Lynch Account No. 840-17959</b>			
1,750 shs.	Abbott Laboratories.	\$ 77,240.92	\$ 83,842.50
2,000 shs.	Altria Group, Inc..	17,421.60	49,240.00
1,924 shs.	Anheuser-Busch Inbev. ADR	111,694.55	109,841.16
1,000 shs.	A T & T, Inc.	20,429.17	29,380.00
2,000 shs.	AXIS Capital Holdings LTD	63,278.20	71,760.00
1,005 shs.	Becton Dickinson Co.	61,436.35	84,942.60
2,000 shs.	Cablevision NY Grp. Class A	49,911.30	67,680.00
2,000 shs.	Chubb Corp.	82,302.94	119,280.00
1,000 shs.	Cisco Systems, Inc.	17,010.12	20,230.00
4,025 shs.	Citigroup, Inc.	119,604.53	19,038.25
1,390 shs.	Coca Cola	59,544.54	91,420.30
1,500 shs.	Disney (Walt) Co.	38,728.70	56,265.00
2,700 shs.	Emerson Electric Co.	90,409.73	154,359.00
2,700 shs.	Exxon Mobil Corp.	120,510.44	197,424.00
6,500 shs.	General Electric	140,376.35	118,885.00
2,000 shs.	Genuine Parts Co.	69,428.57	102,680.00
3,000 shs.	Hewlett Packard Co. Del.	121,927.19	126,300.00

3,800 shs.	Honeywell Intl., Inc. Del.	117,995.60	202,008.00
3,000 shs.	Intel Corp.	59,520.00	63,090.00
1,200 shs.	International Business Machines Corp.	29,408.90	176,112.00
2,600 shs.	Johnson and Johnson	29,542.38	160,810.00
4,000 shs.	JP Morgan Chase	161,115.70	169,680.00
2,243 shs.	KLA Tencor Corp. pv \$0.001	71,194.61	86,669.52
4,600 shs.	Kraft Foods, Inc. VA CL A	132,955.01	144,946.00
31 shs.	Madison Square Garden	579.91	799.18
1,664 shs.	Manulife Financial Corp.	28,706.16	28,587.52
1,040 shs.	McDonalds Corp.	59,104.76	79,830.40
2,700 shs.	Merck & Co., Inc.	82,807.51	97,308.00
4,000 shs.	Microsoft Corp.	112,283.12	111,640.00
1,295 shs.	Nike, Inc. Class B	65,612.60	110,618.90
997 shs.	Partnerre Ltd.	80,690.30	80,108.95
4,000 shs.	Pfizer, Inc.	9,891.49	70,040.00
2,000 shs.	Philip Morris Intl. Inc.	39,698.40	117,060.00
1,300 shs.	Precision Castparts	29,059.33	180,973.00
1,190 shs.	Procter & Gamble Co.	58,713.05	76,552.70
13,000 shs.	Pulse Electronics Corp.	221,344.23	69,160.00
2,800 shs.	Tyco Intl. Ltd. Namen-Akt	93,565.08	116,032.00
1,200 shs.	Veeco Instruments, Inc.	67,018.51	51,552.00
1.801 shs.	YUM Brands, Inc.	<u>75,938.44</u>	<u>88,339.05</u>
		<b>\$2,888,000.29</b>	<b>\$3,784,485.03</b>

**Merrill Lynch Account No. 840-96405**

5,000 shs.	BAC ARN SLVRLN	\$ 50,000.00	\$ 63,550.00
20,000 shs.	BAC CLIRN RICIGLER	200,000.00	232,600.00
10,000 shs.	BAC SPX STEP UP NOTES	100,000.00	118,300.00
1,000 shs.	Bank of America	47,836.31	13,340.00
7,500 shs.	SEX ARN OSX	<u>75,000.00</u>	<u>85,192.50</u>
		<b>\$472,836.31</b>	<b>\$512,982.50</b>

**RECAPITULATION:**

Merrill Lynch Account No. 840-17959	\$2,888,000.29	\$3,784,485.03
Merrill Lynch Account No. 840-96405	<u>472,836.31</u>	<u>512,982.50</u>
	<b>\$3,360,836.60</b>	<b>\$4,297,467.53</b>



Account No.  
840-17959

Taxpayer No.  
13-3442680

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ROBERT A BEER TTEE

## 2010 TAX REPORTING STATEMENT

Your Tax Reporting Statement information that follows is a personal summary of your account activity and is not reported to the IRS.

The Capital Gain and Loss Transaction section is provided to facilitate your review and the preparation of your tax return. In calculating gain (loss), unless otherwise noted, it was assumed that the oldest position was liquidated first, and that an election was in effect to amortize the premium paid on the purchase of taxable bonds. The gain (loss) information may not include return of capital, sales load deferral or wash sales adjustments. RICs (which may include mutual funds and unit investment trusts) may reclassify principal distributions as capital gains. The Cost Basis for these securities may not have been adjusted on your statement to reflect such reclassifications. Please refer to information provided by the RIC and discuss with your tax advisor. Securities distributed from a retirement account reflect the tax basis on the date of distribution. Other methods for calculating gain (loss) are available. The cost basis for most Original Issue Discount (OID) obligations includes the accretion of OID. For purposes of allocating original purchase price to the components of an equity unit consisting of a purchase contract and a debt security subject to a remarketing event, we assumed that the fair market value of the debt security on purchase date was equal to its adjusted issue price. The difference between your original cost and the amount allocable to the debt component was allocated to the purchase contract. In making adjustments to the cost basis of the purchase contract, it was assumed that the unit holder included contract adjustment payments in income when received.

Data from Forms 1099 (reportable Dividend and Interest) is also repeated in this summary for your convenience. Additionally, we have included items such as margin interest and select account fees if applicable. Please discuss the deductibility of these items with your tax advisor. For select clients, we have also included a summary of Visa charges and checking activity.

Merrill Lynch is neither a tax return preparer nor tax advisor. Please see your tax advisor for more information.

### 2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)	
SHORT TERM CAPITAL GAINS									
TYCO INTL LTD NAMEN-AKT	310 0000	09/16/09	08/10/10			11,607.60	10,430.51	1,177.09	
		Short Term Capital Gains Subtotal				11,607.60	10,430.51	1,177.09	
SHORT TERM CAPITAL LOSSES									
AXIS CAPITAL HOLDINGS	475.0000	04/09/10	06/28/10			14,789.16	15,028.57	(239.41)	
		Short Term Capital Losses Subtotal				14,789.16	15,028.57	(239.41)	
NET SHORT TERM CAPITAL GAIN (LOSS)									937.68
LONG TERM CAPITAL GAINS									
ABBOTT LABS	200.0000	02/23/04	04/06/10			10,560.36	8,503.87	2,056.49	
	250.0000	02/23/04	09/23/10			12,904.78	10,629.84	2,274.94	
		Security Subtotal				23,465.14	19,133.71	4,331.43	



Bank of America Corporation

Account No.  
840-17959

Taxpayer No.  
13-3442680

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ROBERT A BEER TTEE

## 2010 TAX REPORTING STATEMENT

1099-B 2010 PROCEEDS FROM BROKER & BARTER EXCHANGE TRANSACTIONS (OMB NO. 1545-0715)

Security Description	Cusip Number	Quantity	Transaction Description	Trade Date	Amount	Remarks
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\* Gross Proceeds and above transaction details from each of your 2010 securities trades are individually reported to the Internal Revenue Service (less commissions).

### IMPORTANT TAX INFORMATION

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanctions may be imposed on you if this income is taxable and the IRS determines that it has not been reported.



ROBERT A BEER TTEE

Account No.  
840-17959

Taxpayer No.  
13-3442680

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## 2010 TAX REPORTING STATEMENT

### 2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
AT& T INC	1650.0000	08/18/05	05/12/10			42,455.44	39,682.50	2,772.94
	350.0000	08/18/05	05/21/10			8,625.07	8,417.50	207.57
	650.0000	08/18/05	05/21/10			16,018.01	13,293.99	2,724.02
	807.0000	08/18/05	06/28/10			20,161.34	16,505.01	3,656.33
	193.0000	08/18/05	06/28/10			4,821.74	3,942.83	878.91
<b>Security Subtotal</b>						<b>92,081.60</b>	<b>81,841.83</b>	<b>10,239.77</b>
CHUBB CORP	565.0000	02/10/09	06/28/10			29,347.58	23,621.92	5,725.66
	300.0000	02/10/09	12/07/10			17,707.32	12,542.61	5,164.71
<b>Security Subtotal</b>						<b>47,054.90</b>	<b>36,164.53</b>	<b>10,890.37</b>
CISCO SYSTEMS INC COM	900.0000	08/27/98	08/05/10			21,511.71	15,309.11	6,202.60
EXXON MOBIL CORP COM	15.0000	01/22/02	07/29/10			923.08	595.53	327.55
	60.0000	03/18/02	07/29/10			3,692.34	2,678.01	1,014.33
<b>Security Subtotal</b>						<b>4,615.42</b>	<b>3,273.54</b>	<b>1,341.88</b>
EMERSON ELEC CO	200.0000	05/25/05	04/09/10			10,168.33	6,681.63	3,486.70
	200.0000	05/25/05	04/23/10			10,440.02	6,681.63	3,758.39
	500.0000	05/25/05	06/28/10			22,400.77	16,704.09	5,696.68
	300.0000	05/25/05	09/23/10			15,299.74	10,022.46	5,277.28
	300.0000	05/25/05	12/07/10			17,110.33	10,022.46	7,087.87
<b>Security Subtotal</b>						<b>75,419.19</b>	<b>50,112.27</b>	<b>25,306.92</b>
GENERAL ELECTRIC	2000.0000	04/18/88	05/21/10			32,701.45	6,700.18	26,001.27
	300.0000	04/18/88	06/28/10			4,526.92	1,005.03	3,521.89
	200.0000	04/18/88	06/28/10			3,017.97	670.02	2,347.95
<b>Security Subtotal</b>						<b>40,246.34</b>	<b>8,375.23</b>	<b>31,871.11</b>
GENUINE PARTS CO	378.0000	02/02/09	12/07/10			19,249.47	11,927.00	7,322.47
HONEYWELL INTL INC DEL	500.0000	11/19/01	06/28/10			20,735.80	16,138.74	4,597.06
HEWLETT PACKARD CO DEL	236.0000	01/14/09	12/07/10			10,045.26	8,314.09	1,731.17
INTL BUSINESS MACHINES	400.0000	09/12/95	03/25/10			52,055.34	9,802.96	42,252.38
	200.0000	09/12/95	04/09/10			25,518.11	4,901.48	20,616.63
	200.0000	09/12/95	04/23/10			25,802.56	4,901.48	20,901.08
	200.0000	09/12/95	06/28/10			25,584.27	4,901.48	20,682.79
	200.0000	09/12/95	09/21/10			26,326.60	4,901.48	21,425.12
<b>Security Subtotal</b>						<b>155,286.88</b>	<b>29,408.88</b>	<b>125,878.00</b>
JPMORGAN CHASE & CO	215.0000	09/04/98	03/25/10			9,789.10	5,249.03	4,540.07





ROBERT A BEER TTEE

Account No.  
840-17959

Taxpayer No.  
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## 2010 TAX REPORTING STATEMENT

### 2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Year-to-Date Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
JOHNSON AND JOHNSON COM	200.0000	07/21/94	04/06/10		13,060.28	2,272.49	10,787.79
	200.0000	07/21/94	06/28/10		11,902.60	2,272.49	9,630.11
	200.0000	07/21/94	09/21/10		12,384.83	2,272.49	10,112.34
<b>Security Subtotal</b>					<b>37,347.71</b>	<b>6,817.47</b>	<b>30,530.24</b>
KRAFT FOODS INC VA CL A	279.0000	08/24/99	05/12/10		8,442.40	3,604.42	4,837.98
	200.0000	08/24/99	12/07/10		6,122.84	2,583.82	3,539.02
<b>Security Subtotal</b>					<b>14,565.24</b>	<b>6,188.24</b>	<b>8,377.00</b>
PRECISION CASTPARTS	200.0000	05/05/00	03/25/10		24,710.39	4,470.66	20,239.73
	100.0000	05/05/00	04/09/10		12,695.54	2,235.33	10,460.21
	200.0000	05/05/00	04/23/10		26,507.43	4,470.66	22,036.77
	100.0000	05/05/00	05/12/10		12,459.79	2,235.33	10,224.46
	200.0000	05/05/00	06/28/10		21,641.63	4,470.67	17,170.96
	100.0000	05/05/00	09/21/10		12,968.70	2,235.33	10,733.37
<b>Security Subtotal</b>					<b>110,983.48</b>	<b>20,117.98</b>	<b>90,865.50</b>
TYCO INTL LTD NAMEN-AKT	200.0000	09/16/09	12/07/10		8,216.80	6,683.22	1,533.58
<b>Long Term Capital Gains Subtotal</b>					<b>690,614.04</b>	<b>325,054.87</b>	<b>365,559.17</b>
<b>LONG TERM CAPITAL LOSSES</b>							
AT&T INC	500.0000	06/19/01	04/13/10		13,085.43	20,556.46	(7,471.03)
	240.0000	06/19/01	04/23/10		6,295.11	9,867.11	(3,572.00)
	1760.0000	01/22/02	04/23/10		46,164.20	64,190.20	(18,026.00)
	350.0000	01/22/02	05/12/10		9,005.69	12,765.10	(3,759.41)
<b>Security Subtotal</b>					<b>74,550.43</b>	<b>107,378.87</b>	<b>(32,828.44)</b>
JPMORGAN CHASE & CO	285.0000	06/19/01	03/25/10		12,976.26	13,070.84	(94.58)
	500.0000	06/19/01	04/09/10		22,820.26	22,931.31	(111.05)
	200.0000	06/19/01	04/23/10		8,900.35	9,172.52	(272.17)
	200.0000	06/19/01	05/12/10		8,251.86	9,172.52	(920.66)
	170.0000	06/19/01	05/21/10		6,786.50	7,796.66	(1,010.16)
	430.0000	08/24/01	05/21/10		17,165.88	17,700.51	(534.63)
<b>Security Subtotal</b>					<b>76,901.11</b>	<b>79,844.36</b>	<b>(2,943.25)</b>



Account No.  
840-17959

Taxpayer No.  
13-3442680

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ROBERT A BEER TTEE

## 2010 TAX REPORTING STATEMENT

### 2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
VEECO INSTRUMENTS INC	500.0000	02/02/99	03/25/10			22,153.47	26,000.00	(3,846.53)
	100.0000	02/02/99	04/15/10			4,899.92	5,200.00	(300.08)
	400.0000	02/02/99	04/15/10			19,599.71	20,800.00	(1,200.29)
	500.0000	08/02/00	11/16/10			20,774.65	37,158.84	(16,384.19)
	300.0000	08/02/00	11/24/10			12,845.78	22,295.30	(9,449.52)
<b>Security Subtotal</b>						<b>80,273.53</b>	<b>111,454.14</b>	<b>(31,180.61)</b>
<b>Long Term Capital Losses Subtotal</b>						<b>231,725.07</b>	<b>298,677.37</b>	<b>(66,952.30)</b>
<b>NET LONG TERM CAPITAL GAIN (LOSS)</b>								<b>298,606.87</b>

### OTHER TRANSACTIONS

MADISON SQUARE GARDEN IN	126.0000	03/02/10	03/02/10			9.77	N/A	N/A
<b>Other Transactions Subtotal</b>						<b>9.77</b>		
<b>TOTAL CAPITAL GAINS AND LOSSES</b>						<b>948,745.64</b>	<b>649,191.32</b>	<b>299,544.55</b>
<b>TOTAL REPORTABLE GROSS PROCEEDS</b>						<b>948,745.64</b>		
<b>DIFFERENCE</b>						<b>0.00</b>	<b>**</b>	

Note: Capital gains and losses in this statement are not reported to the Internal Revenue Service.

\*\* Difference reflects items that are included in the reportable gross proceeds section of your statement but are not included in the gain/loss section (e.g., liquidation of fractional shares and the proceeds from certain tender offers). It also reflects items that are included in the gain/loss section of your statement but not in the reportable gross proceeds section (e.g., option premium received).

N/A Results which cannot be calculated because of insufficient data in the Capital Gain (or Loss) Column and are not included in the Realized Capital Gain and Loss summary.



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ROBERT A BEER TTEE

2010 TAX REPORTING STATEMENT  
2010 REALIZED CAPITAL GAIN AND LOSS SUMMARY

	SHORT TERM GAINS	SHORT TERM LOSSES	LONG TERM GAINS	LONG TERM LOSSES
TOTAL	1,177.09	(239.41)	365,559.17	(66,952.30)



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840-96405

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ROBERT A BEER ESQ TTEE

## 2010 TAX REPORTING STATEMENT

Your Tax Reporting Statement information that follows is a personal summary of your account activity and is not reported to the IRS.

The Capital Gain and Loss Transaction section is provided to facilitate your review and the preparation of your tax return. In calculating gain (loss), unless otherwise noted, it was assumed that the oldest position was liquidated first, and that an election was in effect to amortize the premium paid on the purchase of taxable bonds. The gain (loss) information may not include return of capital, sales load deferral or wash sales adjustments. RICs (which may include mutual funds and unit investment trusts) may reclassify principal distributions as capital gains. The Cost Basis for these securities may not have been adjusted on your statement to reflect such reclassifications. Please refer to information provided by the RIC and discuss with your tax advisor. Securities distributed from a retirement account reflect the tax basis on the date of distribution. Other methods for calculating gain (loss) are available. The cost basis for most Original Issue Discount (OID) obligations includes the accretion of OID. For purposes of allocating original purchase price to the components of an equity unit consisting of a purchase contract and a debt security subject to a remarketing event, we assumed that the fair market value of the debt security on purchase date was equal to its adjusted issue price. The difference between your original cost and the amount allocable to the debt component was allocated to the purchase contract. In making adjustments to the cost basis of the purchase contract, it was assumed that the unit holder included contract adjustment payments in income when received.

Data from Forms 1099 (reportable Dividend and Interest) is also repeated in this summary for your convenience. Additionally, we have included items such as margin interest and select account fees if applicable. Please discuss the deductibility of these items with your tax advisor. For select clients, we have also included a summary of Visa charges and checking activity.

Merrill Lynch is neither a tax return preparer nor tax advisor. Please see your tax advisor for more information.

### 2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
<b>SHORT TERM CAPITAL GAINS</b>								
AMERESCO CLASS A	100.0000	07/21/10	07/22/10			1,010.27	1,000.00	10.27
	800.0000	07/21/10	07/22/10			8,132.99	8,000.00	132.99
		<b>Security Subtotal</b>				<b>9,143.26</b>	<b>9,000.00</b>	<b>143.26</b>
CBOE HOLDINGS INC	100.0000	06/15/10	06/15/10			3,213.05	2,900.00	313.05
FIRST REP BK SAN FRANCISCO	500.0000	12/08/10	12/09/10			13,327.59	12,750.00	577.59
GLOBAL ED & TECHNOLOGY	20.0000	10/07/10	10/08/10			223.11	210.00	13.11
	500.0000	10/07/10	10/08/10			5,716.61	5,250.00	466.61
		<b>Security Subtotal</b>				<b>5,939.72</b>	<b>5,460.00</b>	<b>479.72</b>
GENERAL MOTORS CO	2000.0000	11/18/10	11/18/10			69,634.03	66,000.00	3,634.03
NETSPEND HLDGS INC	200.0000	10/19/10	10/19/10			2,506.99	2,200.00	306.99
SYMETRA FINANCIAL CORP	250.0000	01/21/10	01/22/10			3,113.27	3,000.00	113.27
		<b>Short Term Capital Gains Subtotal</b>				<b>106,877.91</b>	<b>101,310.00</b>	<b>5,567.91</b>
<b>SHORT TERM CAPITAL LOSSES</b>								
COSTAMARE INC	2000.0000	11/03/10	11/04/10			23,481.71	24,000.00	(518.29)
	500.0000	11/03/10	11/04/10			5,870.43	6,000.00	(129.57)
		<b>Security Subtotal</b>				<b>29,352.14</b>	<b>30,000.00</b>	<b>(647.86)</b>

ROBERT A BEER ESQ TTEE

## 2010 TAX REPORTING STATEMENT

### 2010 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
HUDSON PAC PPTYS INC	500.0000	06/23/10	06/24/10			8,486.80	8,500.00	(13.20)
THL CREDIT INC	500.0000	04/21/10	04/22/10			6,075.54	6,500.00	(424.46)
NXP SEMICONDUCTORS N.V.	400.0000	08/05/10	08/06/10			5,292.10	5,600.00	(307.90)
SMART TECHNOLOGIES INC	100.0000	07/14/10	07/15/10			1,675.43	1,700.00	(24.57)
	300.0000	07/14/10	07/15/10			5,026.93	5,100.00	(73.07)
		<b>Security Subtotal</b>				<b>6,702.36</b>	<b>6,800.00</b>	<b>(97.64)</b>
SWIFT TRANSPORTATION	500.0000	12/16/10	12/16/10			5,187.96	5,500.00	(312.04)
		<b>Short Term Capital Losses Subtotal</b>				<b>61,096.90</b>	<b>62,900.00</b>	<b>(1,803.10)</b>
								<b>3,764.81</b>
<b>NET SHORT TERM CAPITAL GAIN (LOSS)</b>								
<b>LONG TERM CAPITAL GAINS</b>								
BAC ARN IXT	7500.0000	07/29/09	09/24/10			92,775.00	75,000.00	17,775.00
EXPT ARN RICL-AER	7500.0000	07/30/09	09/28/10			89,257.50	75,000.00	14,257.50
		<b>Long Term Capital Gains Subtotal</b>				<b>182,032.50</b>	<b>150,000.00</b>	<b>32,032.50</b>
<b>LONG TERM CAPITAL LOSSES</b>								
BANK OF AMERICA CORP	1325.0000	07/30/07	03/26/10			23,543.01	63,383.09	(39,840.08)
ML&CO. LIRN RGER	3000.0000	11/30/06	03/25/10			28,734.29	30,000.01	(1,265.72)
		<b>Long Term Capital Losses Subtotal</b>				<b>52,277.30</b>	<b>93,383.10</b>	<b>(41,105.80)</b>
								<b>(9,073.30)</b>
<b>NET LONG TERM CAPITAL GAIN (LOSS)</b>								

### OTHER TRANSACTIONS

CHESAPEAKE MDSTRAM PRT	200.0000	07/28/10	07/29/10			4,452.69	4,200.00	N/C
	200.0000	07/28/10	07/29/10			4,454.68	4,200.00	N/C
	200.0000	07/28/10	07/29/10			4,452.68	4,200.00	N/C
		<b>Security Subtotal</b>				<b>13,360.05</b>		
		<b>Other Transactions Subtotal</b>				<b>13,360.05</b>		

# Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

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

- 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](http://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  File by the due date for filing your return. See instructions	Name of exempt organization	Employer identification number
	DONALD C. BRACE FOUNDATION	13-3442680
	Number, street, and room or suite no. If a P.O. box, see instructions	
	c/o Robert A. Beer, 30 Maltbie Road	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	Newtown, CT 06470	

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

04

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

ROBERT A BEER

- The books are in the care of ► **30 MALTBIE ROAD - NEWTOWN, CT 06470**  
Telephone No ► **203-426-3093** FAX No ► **203-426-1532**
- 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 **August 15, 2011**, to file the exempt organization return for the organization named above. The extension is for the organization's return for  
► ☒ calendar year **2010** or  
► ☐ tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

- 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	\$	17333.
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	\$	12333.
c <b>Balance due.</b> 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	\$	5000.

**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)