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

2010

For calendar year 2010, or tax year beginning , 2010, and ending , 20

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: National Life Group Charitable Foundation, Inc.

A Employer identification number: 20-4818866

Number and street (or P O box number if mail is not delivered to street address): 1 National Life Drive | Room/suite:

B Telephone number (see page 10 of the instructions): 802-229-3947

City or town, state, and ZIP code: Montpelier VT 05604

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)* ▶ $ 563,470

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

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

		Line	(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 (attach schedule)				
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	187	187	187	
	4	Dividends and interest from securities				
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10				
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less. Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)	0			
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	187	187	187	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) federal taxes	9,656			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) software maint,bank chg	3,976			
	24	**Total operating and administrative expenses.** Add lines 13 through 23	13,632	0	0	0
	25	Contributions, gifts, grants paid	340,589			340,589
	26	**Total expenses and disbursements.** Add lines 24 and 25	354,221	0	0	340,589
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	(354,034)			
	b	**Net investment income** (if negative, enter -0-)		187		
	c	**Adjusted net income** (if negative, enter -0-)			187	

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For Paperwork Reduction Act Notice, see page 30 of the instructions. Form **990-PF** (2010)

ISA

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	410,660	313,457	313,457
	2	Savings and temporary cash investments	500,000	250,000	250,000
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment. basis ▶			
		Less. accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ Securities in process settle)	(135)	13	13
	16	**Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	910,525	563,470	563,470
Liabilities	17	Accounts payable and accrued expenses	650	7,629	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	650	7,629	
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	909,875	555,841	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	909,875	555,841	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	910,525	563,470	

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	909,875
2	Enter amount from Part I, line 27a	2	(354,034)
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	555,841
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	555,841

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				
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				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } 2

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):
If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions).
If (loss), enter -0- in Part I, line 8 3

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

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

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

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

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	330,960	534,392	0.6193
2008	334,453	579,501	0.5771
2007	95,224	873,226	0.1090
2006	341,357	844,977	0.4040
2005			

2	**Total** of line 1, column (d)	2	1.7094
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	.42735
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	598,568
5	Multiply line 4 by line 3	5	255,798
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2
7	Add lines 5 and 6	7	255,800
8	Enter qualifying distributions from Part XII, line 4	8	340,587

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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	2
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	2
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	2
6	Credits/Payments:		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a: 3,819		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d	7	3,819
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	0
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	3,817
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 200 **Refunded** ▶	11	3,617

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 page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ ________ **(2)** On foundation managers. ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *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?	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 page 19 of the instructions) ▶ Vermont			
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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the 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.nlgcf.com

14 The books are in care of ▶ Martha Trombley-Oakes Telephone no. ▶ (802)229-7214
Located at ▶ 1 National Life Drive Montpelier, VT ZIP+4 ▶ 05604

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

			Yes	No
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?	16		X
	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 ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	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 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? ☐ Yes ☒ No If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 22 of the instructions.)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20____ , 20____ , 20____ , 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ 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.)*	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

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** | | 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? **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement #1				

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

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

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

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over $50,000 for professional services ▶		

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 None	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 None	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	607,683
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	607,683
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	607,683
4	Cash deemed held for charitable activities Enter 1 ½ % of line 3 (for greater amount, see page 25 of the instructions)	4	9,115
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	598,568
6	**Minimum investment return.** Enter 5% of line 5	6	29,928

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

1	Minimum investment return from Part X, line 6			1	29,928
2a	Tax on investment income for 2010 from Part VI, line 5	2a	2		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	2
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	29,926
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	29,926
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	29,926

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	340,589
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	340,589
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	2
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	340,587

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

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

			(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1	Distributable amount for 2010 from Part XI, line 7					29,926
2	Undistributed income, if any, as of the end of 2010:					
a	Enter amount for 2009 only				0	
b	Total for prior years: 20___, 20___, 20___			0		
3	Excess distributions carryover, if any, to 2010.					
a	From 2005					
b	From 2006	320,394				
c	From 2007	70,207				
d	From 2008	305,720				
e	From 2009	316,220				
f	**Total** of lines 3a through e		1,012,541			
4	Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 340,589					
a	Applied to 2009, but not more than line 2a				0	
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)			0		
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions)		0			
d	Applied to 2010 distributable amount					29,926
e	Remaining amount distributed out of corpus		310,663			
5	Excess distributions carryover applied to 2010 *(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		1,323,204			
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 page 27 of the instructions			0		
e	Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				0	
f	Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011					0
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)		0			
8	Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)		0			
9	**Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a		1,323,204			
10	Analysis of line 9:					
a	Excess from 2006	320,394				
b	Excess from 2007	70,207				
c	Excess from 2008	305,720				
d	Excess from 2009	316,220				
e	Excess from 2010	310,663				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, 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			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter ⅔ of minimum investment return shown in Part X, line 6 for each year listed					0
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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

1 Information Regarding Foundation Managers:

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

None

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

None

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

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

Applications must be submitted online. See attached paperwork - Statement #2

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

Applications must be submitted online. See attached paperwork - Statement #2

c Any submission deadlines:

See attached paperwork - Statement #2

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

See attached paperwork - Statement #2

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 attached list Statement #3				340,589
Total . . . ▶ **3a**				340,589
b *Approved for future payment*				
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		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	187	
4 Dividends and interest from securities					
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					
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		187	0

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 187

(See worksheet in line 13 instructions on page 29 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) (See page 29 of the instructions.)
	None

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

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

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	Title
[signature]	4/7/11	Tax Officer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

National Life Group Charitable Foundation, Inc. Statement #1
EIN 20-4818866
12/31/2010

Part VIII

(a) Name and Address	(b) Title and avg hrs per week	(c) Comp	(d) Benefits	(e) Expense
OFFICERS				
Martha E. Trombley Oakes National Life Group	President & CEO Varies	0	0	0
Thomas H Brownell National Life Group	Chief Invest Officer Varies	0	0	0
Robert E Cotton National Life Group	Treasurer Varies	0	0	0
James K McQueston National Life Group	Secretary Varies	0	0	0
Rhonda J Miller National Life Group	Assist Sec Varies	0	0	0
Kelly Fournier National Life Group	Assist Sec Varies	0	0	0
Jeffrey M Kemp National Life Group	Tax Officer Varies	0	0	0
David Soccodato National Life Group	Tax Officer Varies	0	0	0
CORPORATE DIRECTORS				
Thomas H MacLeay National Life Group	Chairman Varies	0	0	0
Mehran Assadi National Life Group	Director Varies	0	0	0
Christopher Graff National Life Group	Director Varies	0	0	0
Martha E Trombley-Oakes National Life Group	Director Varies	0	0	0

Statement #2
EIN 20-4818866

National Life Group's Charitable Foundation helps build healthy and vital communities.

Our grants vary in size with roughly 80% under $5000; we are seldom able to fund an entire program. Our expectations are high, however. We look for proposals from organizations with.

- A well-planned approach to underlying issues or needs
- A base of support
- A committed and skilled leadership team

We try to be a catalyst, providing funds to help organizations explore or undertake new work or do more effectively what they are already doing. Thus, we emphasize one-time grants rather than continuing support.

What we fund:

We look for projects that address a clearly defined community need. We will consider proposals in any category, although we favor those that focus on children and families, health and human services, the environment and the arts.

Since most of our employees and retirees and their families live in Central Vermont, an area with a sparse population and a thin base of charitable capital, NLGroup commits a substantial percentage of its charitable giving to Washington County.

What we don't fund:

We do not generally make grants for endowments, operating expenses (with the exception of a one-time initial planning expense), higher educational institutions (with the exception of the employee matching program), religious purposes, labor and fraternal groups, debt reduction or work that has already been completed Additionally, we do not make grants to individuals, daycare facilities and school trips. Finally, we do not make grants to organizations that discriminate in any way on the basis of race, religion, gender, age, national origin, disability or sexual orientation.

Great News! A new online application is now available for submitting your funding requests.

Please note: we will no longer be accepting paper applications.

Apply Now Applicant Login

Follow these steps to successfully submit your application for a grant.

What we look for:

In reviewing proposals, we look for projects that:

1. Meet well-defined community needs
2. Use data to define needs and measure impact
3. Encourage cooperation and collaboration among service providers
4. Promote community involvement
5. Foster self-reliance
6. Focus on prevention as well as treatment
7. Build on programs that have proven successful elsewhere or provide new models or approaches
8. Help non-profit agencies operate more efficiently and lessen their environmental footprint.

Who is eligible:

To be considered for a grant, an organization must be a public charity located in or serving the people of Vermont, which is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code (and not classified as a private foundation), or be a public agency/unit of government in the State of Vermont.

When to Apply:

Decisions for grant requests over $5000 are made two times a year: first week in Oct. and first week in April. We will notify you of the result of your application within six weeks of the deadline. Requests under $5000 can be submitted at anytime. We will notify you within six weeks after submitting your request. If you haven't head from us it means the decision has yet to be made. Please don't call - it takes time away from reviewing grants!

How much to ask for:

Requests for support exceed our capacity to fund them. Therefore, requests should be appropriate to the project, reflect realistic expectations and show diverse funding sources. Also keep in mind, 80% of the grants awarded are under $5000. Please know that requesting an appropriate amount is best, but that sometimes we fund a percentage of a request In other words, a grant requesting $5,000 may be funded at the $3,000 level.

How your application will be evaluated:

These are the major considerations we will use to evaluate your proposal:

- Is it compatible with our guidelines?
- Is the need being addressed well-documented?
- Is there a base of support for the agency addressing the need?
- Is there evidence of collaboration with others?
- Is there committed leadership available?
- How does the project foster healthy and vital communities in Central Vermont?

Once you successfully receive a grant from the Foundation, we like to be updated once a year via a short email (example) or by forwarding us a newspaper article on the new program or work funded through our grant Building awareness and getting publicity play heavily into consideration of further grant or in-kind assistance to your non-profit.

Apply Now

Confirm that your grant project fulfills our requirements, create an account, and apply!

Apply Now Applicant Login

Statement #2
EIN 20-4818866

Application Process

Does your desired grant meet these funding standards? See if you are eligible to apply: <u>Eligibility Quiz</u>

Are you a returning applicant? Log in here <u>Applicant Login</u>

Important Application Accessibility Instructions:

1 > The online application is now set up to reject applications without all the required attachments. You **will not** be able to submit attachments separately.

2 > Cookies <u>must</u> be enabled The following link provides instructions on how to ensure your browser cookies are enabled <u>http://www.google.com/support/accounts/bin/answer.py?hl=en&answer=61416</u>

3 > Browser requirements include any of the following modern browsers: Internet Explorer (version 7 0+), Firefox (3 0+), Safari (4 0+), Google Chrome (5.0+).

Grant Name	Applicant Grants Permitted	Eligibility to Apply	Enrollment Period	Submission Deadline	Grant Description	Application Response Time (Do not call)
Employee Education Matching Grants (Qualified Educational Institution)	Unrestricted	Unrestricted Employees and Directors of National Life Group with One Full-Year of Service	Jan 1 - Dec 31	Dec 31	Up to $500	3 - 4 weeks
Special and Urgent Needs	One Each Calendar Year	Tax Exempt Organizations under Section 501(c)(3) under the Internal Revenue Code	Jan 1 - Dec 31	Dec 31	Up to $1,000 Up to $5,000	4 - 6 weeks
Fall Enrollment	One Each Calendar Year (All Enrollment Periods)	Tax Exempt Organizations under Section 501(c)(3) under the Internal Revenue Code	Aug 1 - Sept 30	Sept 30	Grants over $5,000	6 weeks
Winter Enrollment	One Each Calendar Year (All Enrollment Periods)	Tax Exempt Organizations under Section 501(c)(3) under the Internal Revenue Code	Feb 1 - Mar 31	Mar 31	Grants over $5,000	6 weeks

Eligibility Requirements

If your grant request meets the following requirements, fill out the eligibility quiz below.

However, if you are an employee applying for an Employee Education Matching Grant, you do not need to take the eligibility quiz
Instead, Click here to apply.

1 501(c)(3).doc

View Exemption Requirements

In order to be considered for a National Life Group Charitable Foundation grant, the applicant must be tax-exempt under section 501(c)3 of the Internal Revenue Code, an organization must be organized and operated exclusively for exempt purposes set forth in section 501(c)3, and none of its earnings may inure to any private shareholder or individual.

2 Fiscal Sponsors:

Our grants must be paid to a 501(c)3 If your organization does not fall into one of these categories, you will need to use a fiscal sponsor. The fiscal sponsor must be a 501(c)3 public charity located in or serving the people of Vermont, which is exempt from income taxes under section 501(c)3 of the Internal Revenue Code (and not classified as a private foundation), or be a public agency/unit of government in the State of Vermont

3 What We Fund.

We look for projects that address a clearly defined community need We will consider proposals in any category, although we favor those that focus on children and families, health and human services, the environment and the arts. Since most of our employees and retirees and their families live in Central Vermont, an area with a sparse population and a thin base of charitable capital, the foundation commits a substantial percentage of its charitable giving to Washington County

4 What We Do Not Fund:

We do not make grants to individuals, daycare facilities and school trips Additionally, we do not make grants for endowments, operating expenses (with the exception of a one-time initial planning expense), higher educational institutions (with the exception of the employee matching program), religious purposes, labor and fraternal groups, debt reduction or work that has already been completed Finally, we do not make grants to organizations that discriminate in any way on the basis of race, religion, gender, age, national origin, disability or sexual orientation

Eligibility Quiz

Please complete the quiz before creating a new application.

Even if you are a returning applicant whom is also a past recipient, **you are required to re-take the quiz with every request** Taking the quiz will help you to determine whether or not your request meets NLGCF's grant-application requirements

NOTE: If you are an employee applying for an Employee Education Matching Grant, you do not need to take the eligibility quiz
Instead, Click here to apply

(1) Select your organization type: Select Organization

(2) With this grant, is your organization serving the people of Vermont? Select Community

(3) Are you applying as an individual, daycare, school, church or athletic club? Select Answer

(4) Have you received a National Life Charitable Foundation grant this year? Select Answer

Submit Quiz

Statement #3

National Life Group Charitable Foundation, Inc.		
EIN 20-4818866		
January 1, 2010 - December 31, 2010		
ORGANIZATION (Act.#536009)	**Date**	**2010**
American Red Cross	02/03/2010	$5,000
American Red Cross	05/10/2010	$1,000
Barre City Fire Dept.	02/04/2010	$1,500
Boys & Girls Club of Burlington	05/23/2010	$3,000
Central Vermont Adult Basic Education (CVABE)	11/08/2010	$2,000
Central Vermont Home Health & Hospice	02/04/2010	$10,000
Central Vermont Medical Center	01/28/2010	$50,000
Central VT Council on Aging	03/22/2010	$2,000
Champlain College / Marlboro College	02/23/2010	$4,000
Champlain College / Marlboro College	08/16/2010	($2,000)
Chandler Center for the Arts	01/26/2010	$10,000
E. Montpelier Fire Dept.	02/04/2010	$1,500
Elmhill, Inc.	04/12/2010	$2,000
Everybody Wins!	03/18/2010	$5,000
Family Center of Washington County	01/08/2010	$3,000
Friends of Norris Cotton Cancer Center (Dartmouth Hitchcock Medical Center)	04/12/2010	$25
Friends of North Branch Nature Center	03/22/2010	$2,000
Friends of the Winooski River	02/04/2010	$5,000
Girls Move Mountains (Check to Lamoille Family Center)	04/12/2010	$500
Governor's Institute of Vermont	03/22/2010	$2,000
Green Mountain Club	03/22/2010	$2,000
Green Mountain United Way	01/26/2010	$36,581
Green Up Vermont	02/04/2010	$3,000
Institute for Social Ecology	02/04/2010	$500
Kellogg Hubbard Library	01/25/2010	$25,000
Lost Nation Theater	02/04/2010	$7,500
Lund Family Center	02/04/2010	$10,000
Marlboro College	12/14/2010	$3,000
Metro Dallas Homeless Alliance	10/18/2010	$533
Mobius	04/12/2010	$4,000
Montshire Museum of Science	11/08/2010	$2,000
National Multiple Sclerosis Society	03/17/2010	$2,500
Putney Historical Society	01/08/2010	$100
RU12? Community Center	02/04/2010	$2,500
Shelburne Museum	12/08/2010	$5,000
Smart Growth Vermont	05/23/2010	$2,000
Snelling Center for Government	03/02/2010	$10,000
Spectrum Youth & Family Services, Inc.	11/08/2010	$3,000
The Veterans' Place, Inc.	02/04/2010	$10,000
UNICEF	02/03/2010	$5,000
United Way of Chittenden County	02/04/2010	$3,000
Vermont Adaptive Ski and Sport	01/08/2010	$2,500
Vermont Association for Mental Health	04/12/2010	$4,000
Vermont Association for the Blind and Visually Impaired	01/08/2010	$5,000
Vermont Cancer Survivor Network, Inc.	11/08/2010	$1,000
Vermont Historical Society	02/04/2010	$20,000
Vermont Horse-Assisted Therapy	03/22/2010	$500
Vermont Law School	03/22/2010	$10,000
Vermont Mountain Bike Association	01/08/2010	$3,000
Vermont Mountaineers	04/11/2010	$7,000
Vermont Philharmonic	01/08/2010	$1,000
Vermont Philharmonic	11/08/2010	$500
Vermont Symphony Orchestra	01/28/2010	$25,000
Vermont Works for Women	04/12/2010	$3,000
Voices for Vermont's Children	04/12/2010	$3,000
Washington County Youth Service Bureau	12/07/2010	$2,500

National Life Group Charitable Foundation, Inc.		
EIN 20-4818866		
January 1, 2010 - December 31, 2010		
Women's Rape Crisis Center	02/04/2010	$900
TOTAL		**$333,639**
Employee Educational Matching Program (Act.# 536011)	Date	
Auburn University	04/01/2010	$500
Brigham Young University	04/19/2010	$500
Caldwell College	12/20/2010	$150
Community College of Vermont	01/27/2010	$500
Indiana University - Kelley School of Business	01/14/2010	$50
Kenyon College	01/14/2010	$450
Miami University	02/24/2010	$67
Miami University	05/23/2010	$67
North Carolina State	01/05/2010	$500
St. Michael's College	04/07/2010	$500
St. Michael's College	07/27/2010	$100
University of Massachusetts Boston	02/04/2010	$100
University of Texas	02/08/2010	$500
University of Vermont	01/05/2010	$50
University of Vermont	04/29/2010	$50
University of Vermont	05/12/2010	$25
University of Vermont	05/23/2010	$50
University of Vermont	07/27/2010	$100
University of Vermont Development Office	12/03/2010	$500
Vermont College of Fine Arts	04/24/2010	$500
Webb Institute	01/05/2010	$500
St. Lawrence University	06/30/2010	$25
Miami University	05/26/2010	$67
University of Vermont	12/22/2010	$50
Middlebury College	12/30/2010	$500
TOTAL		**$6,400**
Memorial Contributions (Act.# 536015)		
Organization	**Date**	**Amount**
Alzheimer's Association	04/24/2010	$50
Alzheimer's Association	12/07/2010	$50
Central Vermont Home Health & Hospice	12/07/2010	$50
National Life Cancer Treatment Center	02/04/2010	$50
New York City Fire Dept.	02/04/2010	$50
Roanoke Valley SPCA	07/27/2010	$50
San Xavier Mission	07/09/2010	$50
St. Jude's Children's Research Hospital	08/02/2010	$50
Ocean Energy Institute	08/11/2010	$50
American Cancer Society "MOSAIC"	11/18/2010	$50
Central Vermont Humane Society	11/22/2010	$50
TOTAL		**$550**
GRAND TOTAL		$340,589