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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2010

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	A Employer identification number
GRAYBRIER FOUNDATION	23-7047878
Number and street (or P O box number if mail is not delivered to street address) / Room/suite: 5170 MEADVILLE ST	B Telephone number: (612) 474-8139
City or town, state, and ZIP code: EXCELSIOR, MN 55331	C If exemption application is pending, 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

D 1. Foreign organizations, check here ▶ ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 155,159.

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

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 ▶ ☐

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	14.	14.		STATEMENT 1
	4 Dividends and interest from securities	2,725.	2,725.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	5,169.			
	b Gross sales price for all assets on line 6a 80,410.				
	7 Capital gain net income (from Part IV, line 2)		5,169.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total** Add lines 1 through 11	7,908.	7,908.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	800.	0.		800.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	35.	0.		25.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	3,682.	3,682.		0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	4,517.	3,682.		825.
	25 Contributions, gifts, grants paid	4,600.			4,600.
	26 **Total expenses and disbursements.** Add lines 24 and 25	9,117.	3,682.		5,425.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<1,209.>			
	b **Net investment income** (if negative, enter -0-)		4,226.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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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	4,482.	3,834.	3,834.
	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			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 6	122,821.	122,260.	151,325.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	127,303.	126,094.	155,159.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	127,303.	126,094.	
	30 **Total net assets or fund balances**	127,303.	126,094.	
	31 **Total liabilities and net assets/fund balances**	127,303.	126,094.	

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	127,303.
2	Enter amount from Part I, line 27a	2	<1,209.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	126,094.
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	126,094.

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	MERRILL LYNCH-A/C #2124-SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
b	MERRILL LYNCH-A/C #2125-SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
c	CAPITAL GAINS DIVIDENDS			
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	31,437.		29,879.	1,558.
b	48,947.		45,362.	3,585.
c	26.			26.
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				1,558.
b				3,585.
c				26.
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	5,169.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	10,700.	136,156.	.078586
2008	11,235.	204,261.	.055003
2007	7,790.	260,092.	.029951
2006	11,593.	239,958.	.048313
2005	8,157.	217,382.	.037524

2	**Total** of line 1, column (d)	2	.249377
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	.049875
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	143,323.
5	Multiply line 4 by line 3	5	7,148.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	42.
7	Add lines 5 and 6	7	7,190.
8	Enter qualifying distributions from Part XII, line 4	8	5,425.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	85.
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	85.
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	85.
6	Credits/Payments:		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a		
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	0.
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	85.
10	**Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

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

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

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

Website address ▶ N/A

14 The books are in care of ▶ JOHN P. GRAY Telephone no. ▶ (612) 474-8139

Located at ▶ 5170 MEADVILLE ST, EXCELSIOR, MN ZIP+4 ▶ 55331

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

			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? 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		X

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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 ▶ _____, _____, _____, _____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ _____, _____, _____, _____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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)?	☐ 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
JOHN P. GRAY 5170 MEADVILLE ST. EXCELSIOR, MN 55331	CHAIR/TREAS 0.00	0.	0.	0.
RUSSELL J. GRAY 5170 MEADVILLE ST. EXCELSIOR, MN 55331	VICE-CHAIR 0.00	0.	0.	0.
JOHN P. GRAY, JR. 5170 MEADVILLE ST. EXCELSIOR, MN 55331	DIRECTOR 0.00	0.	0.	0.

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

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

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over $50,000 for professional services ▶ 0

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

Form **990-PF** (2010)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities		1a	140,164.
b	Average of monthly cash balances		1b	5,342.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	145,506.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	145,506.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	2,183.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	143,323.
6	**Minimum investment return** Enter 5% of line 5		6	7,166.

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

1	Minimum investment return from Part X, line 6		1	7,166.
2a	Tax on investment income for 2010 from Part VI, line 5	2a 85.		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	85.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	7,081.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	7,081.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	7,081.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:			
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26		1a	5,425.
b	Program-related investments - total from Part IX-B		1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes		2	
3	Amounts set aside for specific charitable projects that satisfy the:			
a	Suitability test (prior IRS approval required)		3a	
b	Cash distribution test (attach the required schedule)		3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4		4	5,425.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b		5	0.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4		6	5,425.

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
1 Distributable amount for 2010 from Part XI, line 7				7,081.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years: _____, _____, _____		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008 1,022.				
e From 2009 3,892.				
f **Total** of lines 3a through e	4,914.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 5,425.				
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				5,425.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	1,656.			1,656.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	3,258.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			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)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2011** Subtract lines 7 and 8 from line 6a	3,258.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009 3,258.				
e Excess from 2010				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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)

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

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SEE ATTACHED SCHEDULE	NONE		TO SUPPORT THE CHARITABLE PURPOSE OF THE ORGANIZATIO	4,600.
Total			▶ 3a	4,600.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	14.	
4 Dividends and interest from securities			14	2,725.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	5,169.	
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.		7,908.	0.
13 **Total** Add line 12, columns (b), (d), and (e)				13	7,908.

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

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

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

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

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

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

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

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

b If "Yes," complete the following schedule.

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

Sign Here

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

▶ Signature of officer or trustee 5/1/11 Date ▶ Chairman Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
LUMIR NEZERKA, CPA	LUMIR NEZERKA, CP	04/26/11		

Firm's name ▶ LUMIR NEZERKA, CPA
4600 W. 77TH ST, SUITE 350
Firm's address ▶ EDINA, MN 55435
Firm's EIN ▶
Phone no. 952-746-4555

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
MERRILL LYNCH	14.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	14.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MERRILL LYNCH	2,751.	26.	2,725.
TOTAL TO FM 990-PF, PART I, LN 4	2,751.	26.	2,725.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION	800.	0.		800.
TO FORM 990-PF, PG 1, LN 16B	800.	0.		800.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
STATE REGISTRATION	25.	0.		25.
FOREIGN TAXES	10.	0.		0.
TO FORM 990-PF, PG 1, LN 18	35.	0.		25.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES & INVESTMENT FEES	3,682.	3,682.		0.
TO FORM 990-PF, PG 1, LN 23	3,682.	3,682.		0.

FORM 990-PF OTHER INVESTMENTS STATEMENT 6

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ML EQUITIES	COST	122,260.	151,325.
TOTAL TO FORM 990-PF, PART II, LINE 13		122,260.	151,325.

Graybrier Foundation
December 31, 2010
Merrill Lynch Account # 2124

	Quantity	Security Description	Date Acquired	Date Liquidated	SI Sales Price	Cost Basis	Gain or (Loss)
LONG TERM CAPITAL I	6	XTO ENERGY INC	9/22/2008	1/12/2010	287 83	(318 56)	(30 73)
LONG TERM CAPITAL I	5	XTO ENERGY INC	10/15/2008	1/12/2010	239 86	(144 09)	95 77
SHORT TERM CAPITAL	8	XTO ENERGY INC	2/24/2009	1/12/2010	383 79	(251 18)	132 61
LONG TERM CAPITAL I	10	AT& T INC	7/7/2006	2/4/2010	251 95	(275 87)	(23 92)
LONG TERM CAPITAL I	7	AT& T INC	7/28/2006	2/4/2010	176 36	(210 84)	(34 48)
LONG TERM CAPITAL I	14	AT& T INC	8/31/2006	2/4/2010	352 73	(435 68)	(82 95)
LONG TERM CAPITAL I	34	AT& T INC	12/23/2008	2/4/2010	856 65	(952 13)	(95 48)
SHORT TERM CAPITAL	3	AT& T INC	4/13/2009	2/4/2010	75 59	(77 70)	(2 11)
SHORT TERM CAPITAL	21	GAMESTOP CORP NEW CL A	4/13/2009	2/4/2010	424 35	(677 47)	(253 12)
SHORT TERM CAPITAL	12	GAMESTOP CORP NEW CL A	12/15/2009	2/4/2010	242 49	(266 89)	(24 40)
SHORT TERM CAPITAL	4	FIRST SOLAR INC	4/13/2009	3/5/2010	435 50	(568 00)	(132 50)
OTHER TRANSACTION	25	AEROPOSTALE INC	00/00/00	3/22/2010	12 80	-	12.80
SHORT TERM CAPITAL	1	DENBURY RES INC	4/13/2009	3/23/2010	15 49	(16 62)	(1 13)
SHORT TERM CAPITAL	1	ROSS STORES INC COM	10/12/2009	3/23/2010	54 02	(45 75)	8 27
SHORT TERM CAPITAL	12	AEROPOSTALE INC	7/14/2009	3/24/2010	343 84	(282 54)	61 30
SHORT TERM CAPITAL	2	CORE LAB N V COM	4/13/2009	3/24/2010	263 09	(159 00)	104 09
LONG TERM CAPITAL I	9	JOHNSON AND JOHNSON COM	7/28/2006	3/29/2010	583 38	(565 04)	18 34
LONG TERM CAPITAL I	7	JOHNSON AND JOHNSON COM	11/28/2006	3/29/2010	453 74	(460 95)	(7 21)
SHORT TERM CAPITAL	17	JOHNSON AND JOHNSON COM	4/13/2009	3/29/2010	1,101 97	(873 46)	228 51
SHORT TERM CAPITAL	12	MURPHY OIL CORP	4/13/2009	3/29/2010	657 35	(561 96)	95 39
SHORT TERM CAPITAL	8	GOLDMAN SACHS GROUP INC	9/15/2009	4/16/2010	1,273 10	(1,415 12)	(142 02)
SHORT TERM CAPITAL	14	IHS INC	5/19/2009	4/28/2010	716 67	(658 22)	58 45
LONG TERM CAPITAL I	15	FISERV INC WISC PV 1CT	4/13/2009	5/4/2010	763 49	(540 30)	223 19
LONG TERM CAPITAL I	15	BAXTER INTERNTL INC	4/13/2009	5/5/2010	684 01	(748 95)	(64 94)
LONG TERM CAPITAL I	21	CENTRAL EUROPEAN DSTRBTN	4/13/2009	5/14/2010	571 40	(354 69)	216 71
SHORT TERM CAPITAL	3	CENTRAL EUROPEAN DSTRBTN	6/3/2009	5/14/2010	81 63	(86 51)	(4 88)
LONG TERM CAPITAL I	13	HUDSON CITY BANCORP INC	4/13/2009	5/14/2010	169 00	(167 17)	1 83
LONG TERM CAPITAL I	11	JPMORGAN CHASE & CO	6/13/2006	5/14/2010	438 04	(450 01)	(11 97)
LONG TERM CAPITAL I	6	ORACLE CORP $0 01 DEL	4/13/2009	5/14/2010	142 39	(113 52)	28 87
LONG TERM CAPITAL I	4	WELLS FARGO & CO NEW DEL	10/15/2008	5/14/2010	128 56	(137 85)	(9 29)
LONG TERM CAPITAL I	2	ABBOTT LABS	4/13/2009	6/9/2010	92 92	(89 71)	3 21
SHORT TERM CAPITAL	2	AMEDISYS INC	3/29/2010	6/9/2010	92 19	(112 16)	(19 97)
SHORT TERM CAPITAL	1	AFFILIATED MANAGERS GRP	10/28/2009	6/9/2010	67 20	(63 85)	3 35
LONG TERM CAPITAL I	2	APOLLO GROUP INC CL A	4/13/2009	6/9/2010	100 77	(120 24)	(19 47)
LONG TERM CAPITAL I	2	AFLAC INC COM	4/13/2009	6/9/2010	84 67	(48 24)	36 43
LONG TERM CAPITAL I	2	ANNALY CAP MGMT INC	4/13/2009	6/9/2010	34 78	(28 56)	6 22
SHORT TERM CAPITAL	1	AMERISOURCEBERGEN CORP	3/29/2010	6/9/2010	31 40	(28 87)	2 53
LONG TERM CAPITAL I	1	AMERICA MOVIL SAB DE CV	4/13/2009	6/9/2010	48 86	(31 06)	17 80
SHORT TERM CAPITAL	2	ATLAS ENERGY INC	1/12/2010	6/9/2010	64 11	(62 12)	1 99
SHORT TERM CAPITAL	2	AMERIPRISE FINL INC	4/28/2010	6/9/2010	77 77	(92 37)	(14 60)
SHORT TERM CAPITAL	2	AMER EXPRESS COMPANY	5/14/2010	6/9/2010	78 05	(80 70)	(2 65)
SHORT TERM CAPITAL	2	AECOM TECH CORP	11/17/2009	6/9/2010	48 37	(56 06)	(7 69)
LONG TERM CAPITAL I	1	APPLE INC	4/13/2009	6/9/2010	249 58	(119 51)	130 07
LONG TERM CAPITAL I	2	AON CORP COM	4/13/2009	6/9/2010	77 17	(78 20)	(1 03)
SHORT TERM CAPITAL	2	CROWN HLDGS INC	2/4/2010	6/9/2010	48 53	(50 86)	(2 33)
SHORT TERM CAPITAL	2	CHECK POINT SOFTWRE TECH	11/3/2009	6/9/2010	60 51	(61 96)	(1 45)
LONG TERM CAPITAL I	2	DENBURY RES INC	4/13/2009	6/9/2010	32 25	(33 24)	(0 99)
SHORT TERM CAPITAL	6	E M C CORPORATION MASS	12/9/2009	6/9/2010	109 43	(101 23)	8 20
LONG TERM CAPITAL I	4	EXXON MOBIL CORP COM	6/30/2006	6/9/2010	245 27	(249 69)	(4 42)
LONG TERM CAPITAL I	2	HUDSON CITY BANCORP INC	4/13/2009	6/9/2010	25 77	(25 72)	0 05
LONG TERM CAPITAL I	3	HEWLETT PACKARD CO DEL	4/3/2009	6/9/2010	139 16	(102 58)	36 58
LONG TERM CAPITAL I	1	INTL BUSINESS MACHINES	4/13/2009	6/9/2010	125 43	(99 24)	26 19
LONG TERM CAPITAL I	3	JPMORGAN CHASE & CO	6/13/2006	6/9/2010	113 18	(122 73)	(9 55)
LONG TERM CAPITAL I	1	KELLOGG CO	6/4/2009	6/9/2010	54 58	(44 32)	10 26
LONG TERM CAPITAL I	1	L-3 COMMNCTNS HLDGS	4/13/2009	6/9/2010	80 28	(69 84)	10 44
SHORT TERM CAPITAL	2	MARVELL TECHNOLOGY GROUP	4/28/2010	6/9/2010	35 27	(43 27)	(8 00)
LONG TERM CAPITAL I	1	MEDCO HEALTH SOLUTIONS I	4/13/2009	6/9/2010	58 98	(42 11)	16 87
LONG TERM CAPITAL I	1	MCAFEE INC	4/13/2009	6/9/2010	32 07	(34 98)	(2 91)
LONG TERM CAPITAL I	1	MCDONALDS CORP COM	4/13/2009	6/9/2010	68 74	(56 20)	12 54
LONG TERM CAPITAL I	1	NATIONAL-OILWELL VARCO	4/13/2009	6/9/2010	36 77	(32 57)	4 20
LONG TERM CAPITAL I	2	NOBLE CORP NAMEN-AKT	4/13/2009	6/9/2010	57 45	(50 29)	7 16
LONG TERM CAPITAL I	2	NEXTERA ENERGY INC SHS	6/13/2006	6/9/2010	97 99	(83 48)	14 51
LONG TERM CAPITAL I	2	O REILLY AUTOMOTIVE INC	6/2/2009	6/9/2010	99 47	(76 47)	23 00
LONG TERM CAPITAL I	5	ORACLE CORP $0 01 DEL	4/13/2009	6/9/2010	109 94	(94 59)	15 35
LONG TERM CAPITAL I	1	PEPSICO INC	4/13/2009	6/9/2010	62 72	(51 59)	11 13
LONG TERM CAPITAL I	2	RESEARCH IN MOTION LTD	4/13/2009	6/9/2010	118 23	(127 51)	(9 28)
SHORT TERM CAPITAL	1	ROSS STORES INC COM	10/12/2009	6/9/2010	56 49	(45 75)	10 74
LONG TERM CAPITAL I	2	ST JUDE MEDICAL INC	5/4/2009	6/9/2010	73 39	(67 66)	5 73
LONG TERM CAPITAL I	1	STERICYCLE INC COM	5/19/2009	6/9/2010	60 70	(52 00)	8 70
LONG TERM CAPITAL I	1	STATE STREET CORP	4/13/2009	6/9/2010	37 29	(36 73)	0 56
LONG TERM CAPITAL I	1	SCHLUMBERGER LTD	4/13/2009	6/9/2010	57 13	(43 01)	14 12
SHORT TERM CAPITAL	4	SOUTHWESTERN ENERGY CO	3/29/2010	6/9/2010	170 87	(161 99)	8 88
SHORT TERM CAPITAL	1	TUPPERWARE BRANDS CORP	2/4/2010	6/9/2010	39 67	(44 99)	(5 32)
LONG TERM CAPITAL I	1	TEVA PHARMACTCL INDS ADR	4/13/2009	6/9/2010	52 01	(46 05)	5 96

LONG TERM CAPITAL	3	UNITED TECHS CORP COM	6/13/2006	6/9/2010	192 35	(180 03)	12 32
LONG TERM CAPITAL	3	WAL-MART STORES INC	4/13/2009	6/9/2010	153 96	(153 69)	0 27
LONG TERM CAPITAL	1	YUM BRANDS INC	4/13/2009	6/9/2010	41 68	(30 00)	11 68
LONG TERM CAPITAL	3	WELLS FARGO & CO NEW DEL	10/15/2008	6/9/2010	82 74	(103 39)	(20 65)
LONG TERM CAPITAL	1	WELLS FARGO & CO NEW DEL	11/12/2008	6/9/2010	27 58	(28 12)	(0 54)
LONG TERM CAPITAL	1	APPLE INC	4/13/2009	6/10/2010	247 31	(119 51)	127.80
LONG TERM CAPITAL	2	INTL BUSINESS MACHINES	4/13/2009	6/10/2010	253 95	(198 48)	55 47
LONG TERM CAPITAL	6	DIGITAL RLTY TR INC	4/13/2009	6/23/2010	353 66	(229 08)	124 58
LONG TERM CAPITAL	33	AARON'S INC SHS	4/13/2009	7/29/2010	585 21	(641 97)	(56 76)
LONG TERM CAPITAL	15	FIRSTENERGY CORP	4/13/2009	8/4/2010	561 16	(594 60)	(33 44)
OTHER TRANSACTION	0	DOLLAR TREE INC	00/00/00	8/6/2010	21 12	-	21.12
SHORT TERM CAPITAL	13	AMEDISYS INC	3/29/2010	8/9/2010	364 65	(729 07)	(364 42)
LONG TERM CAPITAL	17	MCAFEE INC	4/13/2009	8/9/2010	554 36	(594 66)	(40 30)
LONG TERM CAPITAL	4	CORE LAB N V COM	4/13/2009	8/23/2010	309 84	(159 00)	150 84
LONG TERM CAPITAL	10	L-3 COMMNCTNS HLDGS	4/13/2009	8/23/2010	691 62	(698 51)	(6 89)
LONG TERM CAPITAL	3	PRAXAIR INC	4/13/2009	8/23/2010	263 60	(205 32)	58 28
LONG TERM CAPITAL	7	DANAHER CORP DEL COM	4/13/2009	8/27/2010	251 66	(194 29)	57 37
LONG TERM CAPITAL	17	KELLOGG CO	6/4/2009	8/27/2010	845 80	(753 51)	92 29
LONG TERM CAPITAL	3	UNITED TECHS CORP COM	6/13/2006	8/27/2010	197 09	(180 03)	17 06
LONG TERM CAPITAL	1	GOOGLE INC CL A	4/13/2009	9/29/2010	527 10	(375 39)	151 71
LONG TERM CAPITAL	1	MASTERCARD INC	6/25/2009	9/29/2010	222 70	(163 14)	59 56
LONG TERM CAPITAL	30	CVS CAREMARK CORP	4/13/2009	9/30/2010	940 18	(888 90)	51 28
LONG TERM CAPITAL	34	HUDSON CITY BANCORP INC	4/13/2009	10/22/2010	390 99	(437 25)	(46 26)
SHORT TERM CAPITAL	1	HUDSON CITY BANCORP INC	12/24/2009	10/22/2010	11 51	(13 77)	(2 26)
LONG TERM CAPITAL	3	AFLAC INC COM	4/13/2009	10/25/2010	165 56	(72 36)	93 20
LONG TERM CAPITAL	2	ANNALY CAP MGMT INC	4/13/2009	10/25/2010	36 43	(28 56)	7 87
LONG TERM CAPITAL	1	AMERICA MOVIL SAB DE CV	4/13/2009	10/25/2010	58 28	(31 06)	27 22
SHORT TERM CAPITAL	1	COGNIZANT TECH SOLUTNS A	5/4/2010	10/25/2010	67 21	(52 16)	15 05
LONG TERM CAPITAL	1	CHURCH&DWIGHT CO INC	4/13/2009	10/25/2010	67 86	(52 84)	15 02
LONG TERM CAPITAL	1	COLGATE PALMOLIVE	6/4/2009	10/25/2010	76 79	(70 98)	5 81
LONG TERM CAPITAL	1	DOLLAR TREE INC	4/13/2009	10/25/2010	51 64	(29 13)	22 51
LONG TERM CAPITAL	1	EXXON MOBIL CORP COM	6/30/2006	10/25/2010	66 19	(62 43)	3 76
LONG TERM CAPITAL	1	FMC CORP COM NEW	4/13/2009	10/25/2010	71 10	(46 76)	24 34
LONG TERM CAPITAL	3	FLOWSERVE CORP	4/13/2009	10/25/2010	348 83	(185 76)	163 07
LONG TERM CAPITAL	4	GILEAD SCIENCES INC COM	4/13/2009	10/25/2010	158 15	(190 28)	(32 13)
LONG TERM CAPITAL	1	PEPSICO INC	4/13/2009	10/25/2010	65 00	(51 59)	13 41
LONG TERM CAPITAL	1	PRAXAIR INC	4/13/2009	10/25/2010	93 76	(68 44)	25 32
LONG TERM CAPITAL	1	PRECISION CASTPARTS	4/13/2009	10/25/2010	138 06	(58 39)	79 67
LONG TERM CAPITAL	1	SCHLUMBERGER LTD	4/13/2009	10/25/2010	68 54	(43 01)	25 53
SHORT TERM CAPITAL	2	SALLY BEAUTY HLDGS INC	7/29/2010	10/25/2010	25 09	(18 58)	6 51
LONG TERM CAPITAL	1	YUM BRANDS INC	4/13/2009	10/25/2010	49 86	(30 00)	19 86
LONG TERM CAPITAL	8	APOLLO GROUP INC CL A	4/13/2009	11/2/2010	311 44	(480 96)	(169 52)
SHORT TERM CAPITAL	3	APOLLO GROUP INC CL A	12/15/2009	11/2/2010	116 80	(183 35)	(66 55)
SHORT TERM CAPITAL	17	AMERIPRISE FINL INC	4/28/2010	11/5/2010	925 64	(785 19)	140 45
LONG TERM CAPITAL	15	AON CORP	4/13/2009	11/5/2010	618 01	(586 50)	31 51
SHORT TERM CAPITAL	27	WARNER CHILCOTT PLC	6/23/2010	11/8/2010	540 62	(682 20)	(141 58)
SHORT TERM CAPITAL	22	ATLAS ENERGY INC	1/12/2010	11/29/2010	948 99	(683 38)	265 61
LONG TERM CAPITAL	5	DOLLAR TREE INC	4/13/2009	12/1/2010	276 29	(145 64)	130 65
SHORT TERM CAPITAL	17	SALLY BEAUTY HLDGS INC	7/29/2010	12/1/2010	235 72	(157 89)	77 83
LONG TERM CAPITAL	18	AEROPOSTALE INC	7/14/2009	12/2/2010	423 24	(423 81)	(0 57)
SHORT TERM CAPITAL	6	AEROPOSTALE INC	12/9/2009	12/2/2010	141 09	(125 88)	15 21
SHORT TERM CAPITAL	1	AEROPOSTALE INC	12/24/2009	12/2/2010	23 51	(33 45)	(9 94)
SHORT TERM CAPITAL	1	AEROPOSTALE INC	3/23/2010	12/2/2010	23 52	(28 98)	(5 46)
SHORT TERM CAPITAL	19	COMMUNITY HEALTH SYS NEW	5/5/2010	12/14/2010	662 29	(771 26)	(108 97)
LONG TERM CAPITAL	22	GILEAD SCIENCES INC COM	4/13/2009	12/22/2010	801 25	(1,046 54)	(245 29)
					31,437 06	(29,879 44)	1,557.62

Graybrier Foundation
December 31, 2010
Merrill Lynch Account # 2125

	Quantity	Security Description	Date Acquired	Date Sold	Sales Price	Cost Basis	Gain or (Loss)
SHORT TERM C	15	DEERE CO	4/7/2009	1/5/2010	837 36	(527 40)	309 96
SHORT TERM C	2	DEERE CO	8/25/2009	1/5/2010	111 65	(93 13)	18 52
SHORT TERM C	8	AGRIUM INC	4/7/2009	1/7/2010	536 22	(293 99)	242 23
SHORT TERM C	3	AGRIUM INC	4/7/2009	1/8/2010	206 05	(110 25)	95 80
SHORT TERM C	4	AGRIUM INC	4/7/2009	1/14/2010	260 39	(147 01)	113 38
SHORT TERM C	4	AGRIUM INC	6/24/2009	1/14/2010	260 40	(164 34)	96 06
SHORT TERM C	20	PETROHAWK ENERGY CORP	4/7/2009	1/28/2010	460 60	(397 20)	63 40
SHORT TERM C	13	MOLSON COOR BREW CO CL E	4/7/2009	1/29/2010	549 12	(456 03)	93 09
SHORT TERM C	3	SUNTRUST BKS INC COM	7/22/2009	1/29/2010	73 77	(48 66)	25 11
SHORT TERM C	17	SUNTRUST BKS INC COM	8/6/2009	1/29/2010	418 04	(356 49)	61 55
SHORT TERM C	10	HESS CORP	4/7/2009	2/12/2010	583 38	(561 70)	21 68
SHORT TERM C	22	REPUBLIC SERVICES INC	4/7/2009	2/12/2010	574 19	(409 43)	164 76
SHORT TERM C	15	MORGAN STANLEY	4/7/2009	2/17/2010	410 91	(359 55)	51 36
SHORT TERM C	9	MORGAN STANLEY	5/11/2009	2/17/2010	246 56	(239 38)	7 18
SHORT TERM C	15	PRINCIPAL FINANCIAL GRP	7/29/2009	2/17/2010	343 02	(336 11)	6 91
SHORT TERM C	10	PRINCIPAL FINANCIAL GRP	8/20/2009	2/17/2010	228 68	(259 03)	(30 35)
SHORT TERM C	15	PRINCIPAL FINANCIAL GRP	8/21/2009	2/17/2010	343 02	(414 75)	(71 73)
SHORT TERM C	29	LOWE'S COMPANIES INC	4/7/2009	2/23/2010	666 20	(538 81)	127 39
SHORT TERM C	6	DEVON ENERGY CORP NEW	4/7/2009	3/1/2010	415 42	(276 96)	138 46
SHORT TERM C	8	MOLSON COOR BREW CO CL E	4/7/2009	3/2/2010	328 82	(280 64)	48 18
SHORT TERM C	9	MOLSON COOR BREW CO CL E	4/7/2009	3/3/2010	369 65	(315 73)	53 92
SHORT TERM C	10	ANNALY CAP MGMT INC	4/7/2009	3/5/2010	181 41	(138 40)	43 01
SHORT TERM C	32	ANNALY CAP MGMT INC	5/28/2009	3/5/2010	580 52	(446 34)	134 18
SHORT TERM C	10	ADVANCE AUTO PARTS INC	4/7/2009	3/5/2010	419 80	(392 80)	27 00
SHORT TERM C	14	ADVANCE AUTO PARTS INC	12/3/2009	3/5/2010	587 72	(564 93)	22 79
SHORT TERM C	7	ORACLE CORP $0 01 DEL	4/7/2009	3/5/2010	174 24	(129 09)	45 15
SHORT TERM C	6	ORACLE CORP $0 01 DEL	8/13/2009	3/5/2010	149 35	(131 44)	17 91
LONG TERM CA	4	PROCTER & GAMBLE CO	6/14/2006	3/5/2010	253 86	(215 88)	37 98
LONG TERM CA	5	PROCTER & GAMBLE CO	2/11/2009	3/5/2010	317 34	(259 25)	58 09
SHORT TERM C	11	HOSPIRA INC	4/7/2009	3/17/2010	618 30	(340 02)	278 28
SHORT TERM C	5	CUMMINS INC COM	4/7/2009	3/24/2010	311 98	(136 34)	175 64
SHORT TERM C	4	CUMMINS INC COM	4/7/2009	3/25/2010	249 96	(109 08)	140 88
SHORT TERM C	10	METLIFE INC COM	9/11/2009	3/25/2010	424 97	(384 66)	40 31
SHORT TERM C	7	METLIFE INC COM	12/10/2009	3/25/2010	297 48	(251 08)	46 40
SHORT TERM C	45	FORD MOTOR CO NEW	8/5/2009	3/26/2010	626 28	(382 20)	244 08
SHORT TERM C	1	FORD MOTOR CO NEW	9/3/2009	3/26/2010	13 92	(7 12)	6 80
SHORT TERM C	18	ROYAL CARIBBEAN CRUISES	9/11/2009	3/29/2010	595 69	(385 27)	210 42
SHORT TERM C	8	J C PENNEY CO COM	8/13/2009	3/31/2010	258 40	(264 38)	(5 98)
SHORT TERM C	2	J C PENNEY CO COM	8/20/2009	3/31/2010	64 60	(61 32)	3 28
LONG TERM CA	35	VERIZON COMMUNICATNS COI	4/7/2009	4/14/2010	1,040 19	(1,102 15)	(61 96)
SHORT TERM C	10	INTEL CORP	10/2/2009	4/21/2010	237 80	(190 40)	47 40
SHORT TERM C	11	INTEL CORP	10/8/2009	4/21/2010	261 60	(216 52)	45 08
LONG TERM CA	30	TD AMERITRADE HLDG CORP	4/7/2009	4/21/2010	610 60	(419 71)	190 89
LONG TERM CA	4	FMC CORP COM NEW	4/7/2009	4/23/2010	260 08	(181 36)	78 72
LONG TERM CA	5	FMC CORP COM NEW	4/7/2009	4/26/2010	322 86	(226 70)	96 16
LONG TERM CA	5	FMC CORP COM NEW	4/7/2009	4/27/2010	320 10	(226 69)	93 41
LONG TERM CA	4	FMC CORP COM NEW	4/7/2009	5/3/2010	256 81	(181 36)	75 45
LONG TERM CA	12	FIDELITY NATL INFO SVCS	4/29/2009	5/3/2010	316 00	(219 14)	96 86
LONG TERM CA	4	PRAXAIR INC	4/7/2009	5/3/2010	335 85	(267 24)	68 61
LONG TERM CA	2	FMC CORP COM NEW	4/7/2009	5/4/2010	122 35	(90 69)	31 66
LONG TERM CA	23	FIDELITY NATL INFO SVCS	4/29/2009	5/4/2010	596 05	(420 02)	176 03
LONG TERM CA	8	HEWLETT PACKARD CO DEL	4/7/2009	5/4/2010	409 97	(264 88)	145 09
LONG TERM CA	1	PRAXAIR INC	4/7/2009	5/5/2010	83 00	(66 81)	16 19
LONG TERM CA	17	EXXON MOBIL CORP COM	4/7/2009	5/12/2010	1,092 58	(1,162 12)	(69 54)
LONG TERM CA	5	AT& T INC	4/7/2009	5/14/2010	126 45	(126 78)	(0 33)
LONG TERM CA	3	CHEVRON CORP	4/7/2009	5/14/2010	232 97	(204 44)	28 53
LONG TERM CA	4	DEVON ENERGY CORP NEW	4/7/2009	5/14/2010	262 63	(184 64)	77 99
SHORT TERM C	3	DEVON ENERGY CORP NEW	10/16/2009	5/14/2010	196 98	(213 42)	(16 44)
SHORT TERM C	11	GENERAL ELECTRIC	9/21/2009	5/14/2010	193 04	(183 69)	9 35
LONG TERM CA	32	MORGAN STANLEY	5/11/2009	5/14/2010	862 13	(851 14)	10 99
SHORT TERM C	2	TARGET CORP COM	10/12/2009	5/14/2010	109 98	(100 76)	9 22
SHORT TERM C	4	RESEARCH IN MOTION LTD	9/22/2009	5/27/2010	244 63	(339 38)	(94 75)
SHORT TERM C	10	FOSTER WHEELER AG	1/5/2010	5/28/2010	245 09	(324 35)	(79 26)
SHORT TERM C	14	FOSTER WHEELER AG	1/6/2010	5/28/2010	343 14	(459 06)	(115 92)
LONG TERM CA	4	CHEVRON CORP	4/7/2009	6/1/2010	292 11	(272 60)	19 51
LONG TERM CA	5	EXXON MOBIL CORP COM	4/7/2009	6/1/2010	302 69	(341 81)	(39 12)
SHORT TERM C	4	FOSTER WHEELER AG	1/6/2010	6/9/2010	90 23	(131 17)	(40 94)
SHORT TERM C	17	FOSTER WHEELER AG	3/1/2010	6/9/2010	383 52	(416 60)	(33 08)
SHORT TERM C	22	INTL PAPER CO	9/9/2009	6/9/2010	483 99	(512 49)	(28 50)
SHORT TERM C	3	RESEARCH IN MOTION LTD	9/22/2009	6/9/2010	176 00	(254 54)	(78 54)

SHORT TERM C	4	RESEARCH IN MOTION LTD	12/10/2009	6/9/2010	234 67	(263 02)	(28 35)
SHORT TERM C	5	RESEARCH IN MOTION LTD	1/29/2010	6/9/2010	293 35	(325 91)	(32 56)
SHORT TERM C	5	RESEARCH IN MOTION LTD	3/5/2010	6/9/2010	293 35	(350 75)	(57 40)
LONG TERM CA	10	TRANSOCEAN LTD	4/7/2009	6/9/2010	419 74	(621 00)	(201 26)
SHORT TERM C	3	TRANSOCEAN LTD	10/8/2009	6/9/2010	125 93	(273 01)	(147 08)
LONG TERM CA	16	ANADARKO PETE CORP	9/26/2006	6/10/2010	600 95	(685 92)	(84 97)
LONG TERM CA	17	EXXON MOBIL CORP COM	4/7/2009	6/25/2010	1,013 70	(1,162 12)	(148 42)
SHORT TERM C	6	EXXON MOBIL CORP COM	12/2/2009	6/25/2010	357 78	(453 81)	(96 03)
LONG TERM CA	4	FREEPRT-MCMRAN CPR & GLD	5/5/2009	6/29/2010	243 35	(194 88)	48 47
SHORT TERM C	21	FORD MOTOR CO NEW	9/3/2009	6/29/2010	206 27	(149 69)	56 58
SHORT TERM C	17	ROYAL CARIBBEAN CRUISES	9/11/2009	6/29/2010	393 93	(363 88)	30 05
SHORT TERM C	23	J C PENNEY CO COM	8/20/2009	6/30/2010	503 23	(705 27)	(202 04)
SHORT TERM C	23	E M C CORPORATION MASS	8/27/2009	7/20/2010	457 23	(359 86)	97 37
SHORT TERM C	5	WHIRLPOOL CORP	9/10/2009	7/22/2010	433 84	(335 70)	98 14
SHORT TERM C	7	MERCK AND CO INC SHS	3/17/2010	7/23/2010	243 26	(265 17)	(21 91)
SHORT TERM C	4	MERCK AND CO INC SHS	3/18/2010	7/23/2010	139 02	(152 69)	(13 67)
LONG TERM CA	21	SOUTHERN COMPANY	4/7/2009	8/5/2010	747 17	(650 58)	96 59
LONG TERM CA	20	DISNEY (WALT) CO COM STK	5/20/2009	8/19/2010	673 79	(471 83)	201 96
LONG TERM CA	5	AMERIPRISE FINL INC	8/13/2009	8/31/2010	216 97	(144 73)	72 24
LONG TERM CA	9	AMERIPRISE FINL INC	8/14/2009	8/31/2010	390 55	(259 80)	130 75
LONG TERM CA	7	OCCIDENTAL PETE CORP CAL	6/29/2009	9/1/2010	523 73	(463 88)	59 85
LONG TERM CA	10	PG&E CORP	4/7/2009	9/10/2010	450 73	(382 10)	68 63
SHORT TERM C	12	PG&E CORP	5/3/2010	9/10/2010	540 89	(533 03)	7 86
SHORT TERM C	11	PG&E CORP	5/4/2010	9/10/2010	495 82	(484 68)	11 14
SHORT TERM C	5	REYNOLDS AMERICAN INC	10/29/2009	9/29/2010	299 39	(241 84)	57 55
LONG TERM CA	7	DEERE CO	8/25/2009	10/1/2010	480 22	(325 96)	154 26
SHORT TERM C	3	INTL BUSINESS MACHINES	12/10/2009	10/18/2010	428 76	(387 19)	41 57
SHORT TERM C	2	INTL BUSINESS MACHINES	2/12/2010	10/18/2010	285 85	(246 77)	39 08
LONG TERM CA	16	LOWE'S COMPANIES INC	4/7/2009	10/19/2010	339 26	(297 29)	41 97
SHORT TERM C	17	LOWE'S COMPANIES INC	8/19/2010	10/19/2010	360 48	(350 88)	9 60
SHORT TERM C	4	GENL DYNAMICS CORP COM	1/7/2010	10/26/2010	256 96	(277 29)	(20 33)
SHORT TERM C	1	GENL DYNAMICS CORP COM	1/8/2010	10/26/2010	64 25	(69 21)	(4 96)
LONG TERM CA	6	JOHNSON AND JOHNSON COM	4/7/2009	10/26/2010	382 52	(309 24)	73 28
LONG TERM CA	41	PFIZER INC	6/14/2006	11/9/2010	697 91	(947 92)	(250 01)
LONG TERM CA	15	GENERAL ELECTRIC	9/21/2009	11/15/2010	245 14	(250 50)	(5 36)
LONG TERM CA	9	CAPITAL ONE FINL	8/20/2009	11/17/2010	343 98	(313 80)	30 18
LONG TERM CA	13	JPMORGAN CHASE & CO	4/7/2009	11/17/2010	509 45	(361 01)	148 44
LONG TERM CA	11	UNITED TECHS CORP COM	7/9/2009	11/18/2010	822 71	(547 69)	275 02
LONG TERM CA	4	JOHNSON AND JOHNSON COM	4/7/2009	12/1/2010	248 49	(206 16)	42 33
SHORT TERM C	19	JOHNSON AND JOHNSON COM	6/30/2010	12/1/2010	1,180 37	(1,121 95)	58 42
LONG TERM CA	27	JPMORGAN CHASE & CO	4/7/2009	12/7/2010	1,070 11	(749 80)	320 31
SHORT TERM C	6	EOG RESOURCES INC	1/27/2010	12/14/2010	543 78	(545 41)	(1 63)
SHORT TERM C	3	EOG RESOURCES INC	2/9/2010	12/14/2010	271 89	(282 37)	(10 48)
SHORT TERM C	1	EOG RESOURCES INC	2/12/2010	12/14/2010	90 64	(90 66)	(0 02)
LONG TERM CA	5	PETROHAWK ENERGY CORP	4/7/2009	12/14/2010	94 01	(99 30)	(5 29)
LONG TERM CA	18	PETROHAWK ENERGY CORP	10/16/2009	12/14/2010	338 47	(501 39)	(162 92)
SHORT TERM C	5	RAYONIER INC REIT	6/30/2010	12/15/2010	254 96	(225 80)	29 16
SHORT TERM C	9	RAYONIER INC REIT	6/30/2010	12/16/2010	454 01	(406 44)	47 57
SHORT TERM C	55	MARSHALL AND ILSLEY CORP	3/5/2010	12/17/2010	374 63	(401 42)	(26 79)
SHORT TERM C	40	MARSHALL AND ILSLEY CORP	4/21/2010	12/17/2010	272 46	(394 19)	(121 73)
SHORT TERM C	17	BEST BUY CO INC	5/4/2010	12/22/2010	571 76	(764 17)	(192 41)
LONG TERM CA	30	CISCO SYSTEMS INC COM	10/20/2009	12/22/2010	585 89	(722 37)	(136 48)
LONG TERM CA	19	DREAMWORKS ANIMATION INC	12/7/2009	12/22/2010	563 56	(733 00)	(169 44)
SHORT TERM C	11	DREAMWORKS ANIMATION INC	3/31/2010	12/22/2010	326 27	(434 28)	(108 01)
LONG TERM CA	59	PFIZER INC	6/14/2006	12/22/2010	1,028 49	(1,364 08)	(335 59)
					48,946 61	(45,361 54)	3,585 07

RETURN OF PRIVATE FOUNDATION - FORM 990PF
THE GRAYBRIER FOUNDATION
FEIN: 23-7047878

Part XV item 3a - Contributions Paid during the year:

Animal Humane Society	250.00
Common Bond Communities	200.00
Greater Minneapolis Council of Churches	250.00
Habitat for Humanity	500.00
Minnesota Friends of the Orphans	1000.00
Opportunity Partners	400.00
Project for Pride in Living	500.00
Rebuild Resources	200.00
Ridgeview Foundation	100.00
Salvation Army	500.00
St Therese Homes	200.00
St. Francis Mission	200.00
United Way	300.00
Total Contributions	4600.00