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
THE ALLEN HILLES FUND

A Employer identification number
51-6154986

Number and street (or P O box number if mail is not delivered to street address) Room/suite
16 E. LANCASTER AVENUE 102

B Telephone number
610-896-3868

City or town, state, and ZIP code
ARDMORE, PA 19003

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 ▶ ☐

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)* ▶$ 5,115,837.

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				
	4 Dividends and interest from securities	85,901.	85,901.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	116,006.			
	b Gross sales price for all assets on line 6a 876,083.				
	7 Capital gain net income (from Part IV, line 2)		116,006.		
	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	201,907.	201,907.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	25,996.	0.		25,996.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	3,975.	1,988.		0.
	c Other professional fees STMT 3	25,584.	25,584.		0.
	17 Interest	364.	364.		0.
	18 Taxes STMT 4	-2,623.	1,177.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	1,571.	0.		1,571.
	22 Printing and publications	579.	0.		579.
	23 Other expenses STMT 5	5,262.	196.		5,066.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	60,708.	29,309.		33,212.
	25 Contributions, gifts, grants paid	238,000.			238,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	298,708.	29,309.		271,212.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-96,801.			
	b **Net investment income** (if negative, enter -0-)		172,598.		
	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			
	2	Savings and temporary cash investments	56,490.	50,173.	50,173.
	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 ▶ 10,000. Less: allowance for doubtful accounts ▶ 0.	10,000.	10,000.	10,000.
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock STMT 6	4,465,715.	4,377,021.	5,053,884.
	c	Investments - corporate bonds STMT 7	3,414.	1,624.	1,780.
	11	Investments - land, buildings, and equipment: basis ▶ Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other			
	14	Land, buildings, and equipment: basis ▶ Less accumulated depreciation ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers)	4,535,619.	4,438,818.	5,115,837.
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	3,650,848.	3,650,848.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	884,771.	787,970.	
	30	**Total net assets or fund balances**	4,535,619.	4,438,818.	
	31	**Total liabilities and net assets/fund balances**	4,535,619.	4,438,818.	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,535,619.
2	Enter amount from Part I, line 27a	2	-96,801.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	4,438,818.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,438,818.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	SEE ATTACHED	P	VARIOUS	VARIOUS
b	20,000 WILSHIRE 5000 INDEX	P	12/07/00	04/08/10
c	SECURITIES LITIGATION	P	VARIOUS	01/11/10
d	GNMA PRINCIPAL PAYMENTS	P	VARIOUS	VARIOUS
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	667,107.		548,887.	118,220.
b	207,000.		209,400.	-2,400.
c	186.			186.
d	1,790.		1,790.	0.
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				118,220.
b				-2,400.
c				186.
d				0.
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	116,006.
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	251,674.	3,892,241.	.064660
2008	260,822.	5,256,479.	.049619
2007	288,529.	6,222,185.	.046371
2006	270,623.	5,675,119.	.047686
2005	265,706.	5,267,923.	.050438

2	**Total** of line 1, column (d)	2	.258774
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	.051755
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	4,671,380.
5	Multiply line 4 by line 3	5	241,767.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,726.
7	Add lines 5 and 6	7	243,493.
8	Enter qualifying distributions from Part XII, line 4	8	271,212.

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 **c** All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			1	1,726.
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	1,726.
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	1,726.
6 Credits/Payments:				
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	1,600.		
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	1,600.
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	126.
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)?	1b		X
If the answer is "Yes" to **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ DE			
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 ▶ WWW.HILLESFUND.ORG

14 The books are in care of ▶ ST CLAIR CPAS, PC Telephone no.▶610-862-1998

Located at ▶101 WEST ELM STREET, SUITE 500, CONSHOHOCKEN, PA ZIP+4 ▶19428

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?	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

			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)?	1b		X
	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
SEE STATEMENT 8		25,996.	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 NONE	0.
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 NONE	0.
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:				
a	Average monthly fair market value of securities			1a	4,674,402.
b	Average of monthly cash balances			1b	68,116.
c	Fair market value of all other assets			1c	
d	**Total** (add lines 1a, b, and c)			1d	4,742,518.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.		
2	Acquisition indebtedness applicable to line 1 assets			2	0.
3	Subtract line 2 from line 1d			3	4,742,518.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	71,138.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	4,671,380.
6	**Minimum investment return.** Enter 5% of line 5			6	233,569.

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	233,569.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,726.		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	1,726.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	231,843.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	231,843.
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	231,843.

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	271,212.
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	271,212.
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	1,726.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	269,486.

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				231,843.
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 9,287.				
b From 2006				
c From 2007				
d From 2008 4,533.				
e From 2009 78,860.				
f Total of lines 3a through e	92,680.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 271,212.				
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) **	132,049.			
d Applied to 2010 distributable amount				139,163.
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).)	92,680.			92,680.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	132,049.			
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	132,049.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010 132,049.				

** SEE STATEMENT 9

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)

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

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

SEE STATEMENT 10

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 SCHDULE ATTACHED	NONE	PUBLIC	SEE ATTTACHED	238,000.
Total			▶ 3a	238,000.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(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					
4 Dividends and interest from securities			14	85,901.	
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	116,006.	
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.		201,907.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 201,907.

(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 5/10/11 Date ▶ Executive Director Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
ALAN B GUBERNICK, CPA		5/9/11		

Firm's name ▶ ST. CLAIR CPAS, P.C.
101 W. ELM STREET, STE 500
Firm's address ▶ CONSHOHOCKEN, PA 19428

Firm's EIN ▶

Phone no. 610-8621998

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND INCOME - CORPORATE STOCK	65,555.	0.	65,555.
DIVIDEND INCOME - MONEY MARKET	5.	0.	5.
DIVIDEND INCOME - MUTUAL FUNDS	19,919.	0.	19,919.
INTEREST INCOME - CORPORATE BONDS	222.	0.	222.
INTEREST INCOME - LOANS	200.	0.	200.
TOTAL TO FM 990-PF, PART I, LN 4	85,901.	0.	85,901.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	3,975.	1,988.		0.
TO FORM 990-PF, PG 1, LN 16B	3,975.	1,988.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT EXPENSES	25,584.	25,584.		0.
TO FORM 990-PF, PG 1, LN 16C	25,584.	25,584.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	1,177.	1,177.		0.
EXICSE TAX	-3,800.	0.		0.
TO FORM 990-PF, PG 1, LN 18	-2,623.	1,177.		0.

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 AND MUTUAL FUND FEES	196.	196.		0.
OFFICE	126.	0.		126.
COMPUTER EXPENSE AND WEBSITE	3,244.	0.		3,244.
DUES AND MEMBERSHIPS	660.	0.		660.
INSURANCE	844.	0.		844.
POSTAGE AND COPYING	192.	0.		192.
TO FORM 990-PF, PG 1, LN 23	5,262.	196.		5,066.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK	3,092,739.	3,615,162.
TIFF INTERNATIONAL EQUITY FUND	479,693.	482,408.
WILSHIRE TARGET FDS	804,589.	956,314.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,377,021.	5,053,884.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MORTGAGE BACKED SECURITIES	1,624.	1,780.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,624.	1,780.

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

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
ROBERT L. DEWEES, JR. ESQ. C/O NIXON PEABODY LLP, 101 FEDERAL STREET BOSTON, MA 021101832	PRESIDENT 0.00	0.	0.	0.
STEPHANIE D. JUDSON C/O WILLIAM PENN CHARTER SCHOOL, 3000 SCHOOLHOUSE LANE PHILADELPHIA, PA 19144	DIRECTOR 0.00	0.	0.	0.
EDWARD D. DEWEES C/O DOUGLAS C. LANE & ASSOC, 100 PARK AVE, 36TH FLOOR NEW YORK, NY 10017	TREASURER 0.00	0.	0.	0.
PEMBROKE PHILANTHROPY ADV DAPHNE ROWE 16 E. LANCASTER AVENUE, SUITE 102 ARDMORE, PA 19003	SECRETARY/EXEC DIRECTOR 8.00	25,996.	0.	0.
GAYLE ISA 1219 VINE STREET PHILADELPHIA, PA 19107	BOARD MEMBER 0.00	0.	0.	0.
BRIAN ARMSTEAD 1709 BENJAMIN FRANKLIN PARKWAY, SUITE 700 PHILADELPHIA, PA 19103	BOARD MEMBER 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		25,996.	0.	0.

FORM 990-PF

ELECTION UNDER REGULATIONS SECTION 53.4942(A)-3(D)(2) TO TREAT EXCESS QUALIFYING DISTRIBUTIONS AS DISTRIBUTIONS OUT OF CORPUS

STATEMENT 9

ELECTION UNDER REGULATION SECTION 53.4942(A)-3(D)(2)

THE ALLEN HILLES FUND HEREBY ELECTS UNDER REGULATION SECTION 53.4942(A)-3(D)(2) TO APPLY THE 2010 QUALIFYING DISTRIBUTIONS TO CORPUS.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 10
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

TRUSTEES OF THE ALLEN HILLS FUND
16 E. LANCASTER AVENUE, SUITE 102
ARDMORE, PA 19003

TELEPHONE NUMBER

BY MAIL ONLY

FORM AND CONTENT OF APPLICATIONS

GUIDELINES AND PROCEDURES FORM AND PROPOSAL COVER SHEET (AVAILABLE UPON REQUEST)

ANY SUBMISSION DEADLINES

FEBRUARY 1, MAY 1 AND OCTOBER 1

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE MADE ON A ONE-YEAR BASIS. DONEES MUST BE TAX EXEMPT UNDER IRC SEC. 501 C (3). AWARDS ARE LIMITED TO AREAS OF CHIDREN'S EDUCATION, ECONOMIC DEVELOPMENT IN DISADVANTAGED COMMUNITIES AND ACTIVITIES OF THE RELIGIOUS SOCIETY OF FRIENDS. GRANTS ARE GENERALLY LIMITED TO $3,000 TO $10,000 PER RECIPIENT AND FOCUS ON THE CITY OF PHILADELPHIA.

THE ALLEN HILLES FUND
GRANT SCHEDULE ACCOMPANYING FORM 990-PF

EIN #: 51-6154986
DECEMBER 31, 2010

RECIPIENT NAME AND ADDRESS	AMOUNT	DATE
AMERICAN CIVIL LIBERTIES FOUNDATION OF PA PO Box 40008 Philadelphia, PA 19106	$5,000	12/13/10
ARAB AMERICAN DEVELOPMENT CORP 1501 Germantown Avenue Philadelphia, PA 19122	$5,000	12/13/10
ASIAN ARTS INITIATIVE 1219 Vine Street Philadelphia, PA 19107	$5,000	05/28/10
THE ATTIC YOUTH CENTER 255 South 16th Street Philadelphia, PA 19102	$4,000	12/13/10
BREAKTHROUGH OF GREATER PHILADELPHIA 34 W Coulter Street Philadelphia, PA 19144	$4,000	12/13/10
BIG PICTURE ALLIANCE *4732 Stenton Guild* *Philadelphia, PA 19144*	$5,000	05/28/10
BIG PICTURE PHILADELPHIA *4732 Stenton Guild* *Philadelphia, PA 19144*	$5,000	05/28/10
BUILD-A-BRIDGE 205 W Tulpehocken Street Philadelphia, PA 19144	$4,000	05/28/10
CAMBODIAN ASSOCIATION OF GREATER PHILADELPHIA 5412 North 5th Street Philadelphia, PA 19120	$5,000	12/13/10
CEIBA, INC 149 W Susquehanna Avenue Philadelphia, PA 19122	$4,000	12/13/10
THE CENTER FOR INDEPENDENT DOCUMENTARY 680 South Main Street Sharon, MA 02067	$5,000	12/17/2010
CHILDSPACE COOPERATIVE DEVELOPMENT INC 5517 Greene Street, 3rd Floor Philadelphia, PA 19144	$4,000	12/13/10
COMMUNITY LEARNING CENTER 2801 Frankford Avenue Philadelphia, PA 19134-4006	$4,000	12/13/10
COMMUNITY WOMEN'S EDUCATION PROGRAM 2801 Frankford Avenue Philadelphia, PA 19134-4096	$4,000	05/28/10
DELAWARE VALLEY ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN *1608 WALNUT STREET, SUITE 300* PHILADELPHIA, PA 19103	$5,000	05/28/10
ENDOW-A-HOME 3721 Midvale Avenue Philadelphia, PA 19129	$5,000	05/28/10
FACE TO FACE GERMANTOWN 109 E PRICE STREET PHILADELPHIA, PA 19144	$3,000	12/13/10
FRIENDS INTERNATIONAL IN RAMALLAH *1515 CHERRY STREET* PHILADELPHIA, PA 19102	$4,500	05/28/10
GREENSGROW PHILADELPHIA PROJECT 2501 East Cumberland Street Philadelphia, PA 19125	$3,000	12/13/10

THE ALLEN HILLES FUND
GRANT SCHEDULE ACCOMPANYING FORM 990-PF

EIN #. 51-6154986
DECEMBER 31, 2010

RECIPIENT NAME AND ADDRESS	AMOUNT	DATE
HAMPSHIRE COLLEGE *893 WEST STREET* *AMHERST, MA 01002*	$3,500	08/25/10
HIAS & COUNCIL MIGRATION SERVICE OF PHILADELPHIA 2100 Arch Street, 3rd Floor Philadelphia, PA 19103	$5,000	12/13/10
HOLY SPIRIT LUTHERAN CHURCH 1268 ROBBINS STREET PHILADELPHIA, PA 19111	$5,000	07/28/10
INSTITUTE FOR POLICY STUDIES *1112 16TH STREET NW, SUITE 600* *WASHINGTON DC 20036*	$500	05/06/10
JUNTOS *4143 SW 74TH CT STE E* *MIAMI, FL 33155*	$5,000	12/13/10
A LITTLE TASTE OF EVERYTHING 3451 Walnut Street Franklin Building Annex, Suite P-117A Philadelphia, PA 19104	$4,000 $4,000	03/10/10 12/13/10
MT AIRY COMMUNITY SERVICES 1709 BENJAMIN FRANKLIN PARKWAY PHILADELPHIA, PA 19103	$5,000	05/28/10
NEIGHBORHOOD GARDENS ASSOCIATION - A PHILADELPHIA LAND TRUST 100 N 20th Street, 5th Floor Philadelphia, PA 19103	$5,000	05/28/10
NEW SOCIETY EDUCATIONAL FOUNDATION PO Box 63724 Philadelphia, PA 19147	$4,000	12/13/10
NEW DIRECTIONS FOR WOMEN, INC 4807 GERMANTOWN AVENUE PHILADELPHIA, PA 19144	$4,000	12/13/10
OLD FIRST REFORMED CHURCH 151 N 4TH STREET PHILADELPHIA, PA 19106	$3,000	09/10/10
PENNSYLVANIA IMMIGRATION & CITIZENSHIP COALITION 2100 ARCH STREET, 7TH FLOOR PHILADELPHIA, PA 19103	$4,000	12/13/10
PHILADELPHIA SECURITY OFFICERS UNION 1315 SPRUCE STREET, SUITE 331 PHILADELPHIA, PA 19107	$5,000	05/28/10
PHILADELPHIA STUDENT UNION *4205 Chestnut Street* Philadelphia, PA 19104	$5,000 $5,000	05/28/10 12/13/10
PHILADELPHIA YEARLY MEETING - MIDDLE EAST WORKING GROUP 2 Taylors Lane Farm Riverton, NJ 08077	$3,500	12/13/10
PHILADELPHIA YEARLY MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS *1515 CHERRY STREET* PHILADELPHIA, PA 19102	$5,000	05/28/10 12/13/10
THE PRINT CENTER 1614 Latimer Street Philadelphia, PA 19103	$4,000	12/13/10
PROVIDENCE CENTER 2635 North 4th Street Philadelphia, PA 19133	$5,000	05/28/10
PUBLIC CITIZENS FOR CHILDREN AND YOUTH	$5,000	05/28/10

RECIPIENT NAME AND ADDRESS	AMOUNT	DATE
7 Benjamin Franklin Parkway Philadelphia, PA 19103		
PUBLIC INTEREST PROJECTS 45 West 36th Street 6th Floor New York, NY 10018	$10,000	04/16/10
REESE STREET COMMUNITY CENTER, INC *4400 N MARSHALL STREET* *PHILADELPHIA, PA 19140*	$5,000	05/28/10
RESTAURANT OPPORTUNITIES CENTER UNITED INC *350 7TH AVENUE, SUITE 1504* *NEW YORK, NY 10001*	$5,000	12/13/10
RESOURCES FOR HUMAN DEVELOPMENT *4700 WISSAHICKON AVE #126* *PHILADELPHIA, PA 19144*	$5,000	12/13/10
SPIRAL Q PUPPET THEATRE 3114 SPRING GARDEN STREET PHILADELPHIA, PA 19104	$4,000	12/13/10
SQUASHBUILDERS 795 Columbus Avenue Roxbury Crossing, MA 02120	$3,000	05/28/10
SQUASHSMARTS The Lenfest Center 3890 N 10th Street Philadelphia, PA 19140	$3,000	05/28/10
TALLER PUERTORRIQUENO 2721 North 5th Street Philadelphia, PA 19133	$4,000	05/28/10
TREE HOUSE BOOKS 1430 W Susquehanna Ave Philadelphia, PA 19121	$4,000	12/13/10
WAGNER FREE INSTITUTE OF SCIENCE 1700 WEST MONTGOMERY AVENUE PHILADELPHIA, PA 19121	$5,000	05/28/10
WELCOMING CENTER FOR NEW PENNSYLVANIANS 248 SOUTH 52ND STREET PHILADELPHIA, PA 19139	$5,000	12/13/10
WHY NOT PROSPER, INC 717 EAST CHELTEN AVENUE PHILADELPHIA, PA 19144	$4,000	12/13/10
WOMEN'S WAY *123 S Broad Street* Suite 1399 Philadelphia, PA 19109	$5,000	05/28/10
THE WYCK ASSOCIATION 6026 Germantown Avenue Philadelphia, PA 19144	$3,000	05/28/10
TOTAL GRANTS PAID	$238,000	

REVISED

Douglas C. Lane & Associates, Inc.

REALIZED GAINS AND LOSSES

THE ALLEN HILLES FUND

From 01-01-10 Through 12-31-10

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
COMMON STOCK							
06-21-01	04-08-10	1,000 00	ARCHER DANIELS MIDLAND CO	13,247 62	28,040 52		14,792 90 ✓
04-23-04	09-21-10	500 00	AMERICAN TOWER CORP CL A	5,667 13	25,191 07		19,523 94 ✓
04-19-07	04-08-10	1,000 00	AVERY DENNISON CORP	64,153 00	37,240 47		-26,912 53 ✓
02-10-04	09-21-10	1,000 00	BAKER HUGHES INC	34.900 00	40,561 36		5,661 36 ✓
03-25-08	09-21-10	500 00	CAMPBELL SOUP CO	16,940.00	18,087 16		1,147 16
12-16-03	09-21-10	1,000 00	CAMPBELL SOUP CO	26,820.00	36,174 32		9.354.32 ✓
				43,760 00	54,261 48	0 00	10,501 48
08-01-06	04-27-10	1,000 00	EBAY INC	23,598 45	23,905 29		306 84 ✓
02-10-04	07-02-10	0 08	FRONTIER COMMUNICATIONS CORP	0,75	0 56		-0.19
02-10-04	09-21-10	119 94	FRONTIER COMMUNICATIONS CORP	1,139.15	971 77		-167.38
01-01-50	09-21-10	360 06	FRONTIER COMMUNICATIONS CORP	1663.13	2,917 24		1254.11
				2,803.03	3,889 57	0 00	1,086.54
01-07-03	04-08-10	500 00	INTERNATIONAL PAPER CO	18,046 67	13,700 26		-4,346 41
01-07-03	09-21-10	100 00	INTERNATIONAL PAPER CO	3,609 33	2,209 62		-1,399 71
10-31-02	09-21-10	400 00	INTERNATIONAL PAPER CO	13,996 00	8,838 46		-5,157 54
05-24-05	09-21-10	500 00	INTERNATIONAL PAPER CO	16,497 95	11,048 07		-5,449 88
12-09-08	09-21-10	1,000 00	INTERNATIONAL PAPER CO	12,509 00	22,096 15		9,587 15
				64,658 95	57,892 56	0 00	-6,766 39 ✓
03-25-08	12-07-10	500 00	LAMAR ADVERTISING CO CL A	18,415.00	19,612 22		1,197 22 ✓
08-01-06	09-21-10	89 00	LIBERTY GLOBAL INC SER C	1,874 34	2,678 85		804 51
08-01-06	09-21-10	297 00	LIBERTY GLOBAL INC SER C	6,254 81	8,939 52		2,684 71
08-01-06	09-21-10	275 00	LIBERTY GLOBAL INC SER C	5,791 49	8,277 34		2,485 85
08-01-06	09-21-10	150 00	LIBERTY GLOBAL INC SER C	3,158 97	4,514 91		1,355 94
08-01-06	09-21-10	100 00	LIBERTY GLOBAL INC SER C	2.106 00	3,009 94		903 94
08-01-06	09-21-10	89 00	LIBERTY GLOBAL INC SER C	1,874 34	2,678 85		804 51
04-10-06	09-21-10	2,000 00	LIBERTY GLOBAL INC SER C	40,909 75	60,198 81		19.289 06
				61,969 70	90,298 22	0 00	28,328 52 ✓
04-19-07	07-15-10	1,000 00	MILLIPORE CORP	73,716 00	107,000 00		33.284 00 ✓
03-02-05	09-21-10	200 00	NEWMONT MINING CORP	8,713 98	12,499 43		3,785 45
05-24-05	09-21-10	500 00	NEWMONT MINING CORP	18,439 95	31,248 58		12,808 63
				27,153 93	43,748 01	0 00	16,594 08 ✓
03-02-05	09-21-10	2,000 00	NEWS CORP CL A	33,329 95	27,567 17		-5,762 78

REVISED

Douglas C. Lane & Associates, Inc.

REALIZED GAINS AND LOSSES

THE ALLEN HILLES FUND

From 01-01-10 Through 12-31-10

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
09-04-08	09-21-10	1,000 00	NEWS CORP CL A	13.657 00	13,783 58		126 58
				46,986 95	41,350 75	0 00	-5,636 20 ✓
04-10-06	12-07-10	3,000 00	SERVICE CORP INTL	24,183.05	24,924 51		741 46
08-01-06	12-07-10	2,000 00	SERVICE CORP INTL	15,229 95	16,616 34		1,386 39
				39,413 00	41,540 85	0 00	2,127 85 ✓
05-24-05	12-07-10	500 00	WORTHINGTON INDUSTRIES INC	8,213.32	8,762 51		549 19
12-07-00	12-07-10	2,500 00	WORTHINGTON INDUSTRIES INC	20,231 25	43,812.55		23,581 30
				28,444 57	52,575 06	0 00	24,130 49 ✓
				548,84733	667,107 43	0 00	118, 220.10

#10

Douglas C. Lane & Associates, Inc.

REALIZED GAINS AND LOSSES
(SPECIAL HOLDINGS)

THE ALLEN HILLES FUND

From 01-01-10 Through 12-31-10

						Gain Or Loss	
Open Date	**Close Date**	**Quantity**	**Security**	**Cost Basis**	**Proceeds**	**Short Term**	**Long Term**
12-07-00	04-08-10	20,000	WILSHIRE TARGET FDS 5000 INDEX INV	209,400 00	207,000 00		-2,400 00
				209,400 00	207,000 00		-2,400 00
TOTAL GAINS							
TOTAL LOSSES							-2,400 00
				209,400.00	**207,000.00**		**-2,400.00**

TOTAL REALIZED GAIN/LOSS -2,400 00

THE ALLEN HILLES FUND
SCHEDULE ACCOMPANYING FORM 990-PF

EIN #: 51-6154986
DECEMBER 31, 2010

PAGE 2 - BALANCE SHEET

	Beginning of Year	End of Year	
	Book Value	Book Value	Market Value
INVESTMENTS - CORPORATE BONDS			
9.0% 06/15/16	3,414	1,624	1,780
	3,414	1,624	1,780

THE ALLEN HILLES FUND
SCHEDULE ACCOMPANYING FORM 990-PF

EIN #: 51-6154986
DECEMBER 31, 2010

PAGE 2 - BALANCE SHEET

	Beginning of Year	End of Year	
	Book Value	Book Value	Market Value
INVESTMENTS - CORPORATE STOCKS AND MUTUAL FUNDS			
1,500 shs Campbell Soup	43,760	0	0
187 shs CCE Spinco Inc	23	23	0
2,000 shs Dentsply Intl Inc	55,958	55,958	68,340
2,000 shs Disney Walt Co	46,075	46,075	75,020
1,000 shs Johnson & Johnson	6,043	6,043	61,850
3,000 shs General Electric	39,759	39,759	54,870
2,000 shs Verizon Communications	44,387	41,584	71,560
3,000 shs Vodaphone Group PLC	70,598	82,073	79,320
2,000 shs JP Morgan Chase & Co	63,142	63,142	84,840
2,500 shs International Paper	64,659	0	0
700 shs Newmont Mining	27,154	0	0
3,000 shs Worthington Industries Inc.	28,445	0	0
1,000 shs Schlumberger Ltd	35,093	35,093	83,500
2,000 shs Qualcomm Inc	40,270	40,270	98,980
4,000 shs Cisco Systems	98,935	98,935	80,920
1,333 shs Time Warner Inc	32,238	68,305	42,883
1,500 shs AOL Inc	41,043	41,043	35,565
10,000 shs Citigroup Inc	134,737	134,737	47,300
4,000 shs Comcast Corp	82,677	82,677	83,240
3,000 shs News Corp	46,987	0	0
1,000 shs Coca Cola Co	45,000	45,000	65,770
5,000 shs Alcoa Inc	62,034	89,739	76,950
2,500 shs Pfizer Corp	70,632	70,632	43,775
2,500 shs Dow Chemical Co	68,404	68,404	85,350
1,000 shs Teva Pharmaceutical Inds Adr	13,545	13,545	52,130
1,000 shs Archer Daniels Midland Co	13,248	0	0
400 shs Apache Corp	7,347	7,347	47,692
3,000 shs Southwest Airlines Co	28,340	40,448	38,940
1,000 shs Baker Hughes	34,900	0	0
1,886 shs Bank of New York	59,224	59,224	56,957
1,000 shs Cameron International	11,837	11,837	50,730
1,500 shs Medtronic Inc	75,712	75,712	55,635
3,000 shs Patterson-UTI Energy	46,025	46,025	64,650
1,000 shs American Tower Corp	17,001	11,334	51,640
4,000 shs Applied Materials	71,772	71,772	56,200
3,000 shs Liberty Global Inc Ser C	61,970	0	0
2,500 shs Kraft Foods Inc	50,065	80,224	78,775
1,000 shs Abbott Laboraties	40,560	40,560	47,910
5,000 shs Service Corp Intl	39,413	0	0
1,000 shs Ebay Inc	23,598	0	0
2,500 shs Western Union Co	56,470	56,470	46,425

THE ALLEN HILLES FUND
SCHEDULE ACCOMPANYING FORM 990-PF

EIN #: 51-6154986
DECEMBER 31, 2010

PAGE 2 - BALANCE SHEET

	Beginning of Year	End of Year	
	Book Value	Book Value	Market Value
86,544 shs Wilshire Target Fds	1,013,989	804,589	956,314
37,483.163 shs TIFF Intl Equity Fund	459,774	479,693	482,408
1,000 shs Avery Dennison Corp	64,153	0	0
1,000 shs Expeditors Intl Wash	41,406	41,406	54,600
2,000 shs Iron Mountain Inc	54,003	54,003	50,020
10,000 shs Istar Financial Inc	100,667	100,667	78,200
1,000 shs Millipore Corp Common	73,716	0	0
1,000 shs Novartis A G Spon Adr F	57,282	57,282	58,950
1,000 shs Cerner Corp	40,176	40,176	94,740
800 shs Danaher Corp	54,132	54,132	75,472
4,000 shs Gannett Co Inc Del	73,021	73,021	60,360
1,500 shs Lamar Advertising Co.	51,968	33,553	59,760
1,000 shs Linear Technology Corp	31,699	31,699	34,590
2,500 shs Microsoft Corp	64,757	64,757	69,775
1,000 shs Nestles A Reg B Adr	24,860	39,675	58,738
2,500 shs UBS AG New	51,653	51,653	41,175
1,000 shs Borg Warner Inc	31,828	31,828	72,360
800 shs Stericycle Inc	23,629	39,944	64,736
500 shs United Technologies Corp	25,744	25,744	39,360
2,000 shs Allscripts Healthcare	0	36,667	38,540
4,000 shs Banco Santander SA ADR	0	53,996	42,600
500 shs General Motors Co	0	17,405	18,430
1,000 shs Harman International Inds Inc	0	33,493	46,300
1,000 shs HSBC Holdings PLC Spons ADR	0	52,448	51,040
1,000 shs Illumina Inc	0	38,249	63,340
1,500 shs Johnson Controls Inc	0	44,137	57,300
1,000 shs Medco Health Solutions	0	57,073	61,270
1,000 shs Thomson Reuters Corp	0	37,808	37,270
1,500 shs United Continental Holdings Inc	0	41,317	35,730
1,000 shs McCormick & Co Inc	29,269	29,269	46,530
2,000 shs Unilever N.V.	31,279	60,077	62,800
1,000 shs Thermo Fisher Scientific	24,704	39,068	55,360
1,000 shs Diebold Inc	27,000	27,000	32,050
500 shs Itron Inc	31,989	31,989	27,725
800 shs Visa Inc Cl A	37,040	58,097	56,304
3,000 shs Marsh & McLennan Companies, Inc	46,897	71,116	82,020
	4,465,715	4,377,021	5,053,884