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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 , 2010, and ending , 20

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

Name of foundation

RAYMOND B. PRESTON FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

P.O. BOX 652

City or town, state, and ZIP code

HENDERSON, KY 42420

H Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 9,296,050.
J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____ (Part I, column (d) must be on cash basis)

A Employer identification number

52-1676236

B Telephone number (see page 10 of the instructions)

(502) 827-0289

C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)	180,000.			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	211,961.	208,986.		ATCH 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	41,005.			
b Gross sales price for all assets on line 6a	1,286,465.			
7 Capital gain net income (from Part IV, line 2)		41,005.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	454.	454.		ATCH 2
12 Total. Add lines 1 through 11	433,420.	250,445.		
13 Compensation of officers, directors, trustees, etc.	0.			
14 Other employee salaries and wages	43,663.	43,663.		
15 Pension plans, employee benefits	2,496.	2,496.		
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) ATCH 3	3,800.	3,800.	0.	0.
c Other professional fees (attach schedule) *	50,003.	50,003.		
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) *	6,314.	4,033.		
19 Depreciation (attach schedule) and depletion	1,131.			
20 Occupancy				
21 Travel, conferences, and meetings	7,065.	7,065.		
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 6	5,942.	5,942.		
24 Total operating and administrative expenses. Add lines 13 through 23	120,414.	117,002.	0.	0.
25 Contributions, gifts, grants paid	205,776.			205,776.
26 Total expenses and disbursements. Add lines 24 and 25	326,190.	117,002.	0.	205,776.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	107,230.			
b Net investment income (if negative, enter -0-)		133,443.		
c Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see page 30 of the instructions.

* ATCH 4 JSA ** ATCH 5

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	4,885.	2,389.	2,389.
	2	Savings and temporary cash investments	1,892,764.	522,955.	522,955.
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ *		93,614.	ATCH 7
		Less allowance for doubtful accounts ▶	449,609.	93,614.	93,614.
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule) **	1,681,628.	2,411,246.	2,435,411.
	b	Investments - corporate stock (attach schedule) ATCH 9	1,972,273.	2,964,459.	3,715,755.
	c	Investments - corporate bonds (attach schedule) ATCH 10	341,650.	360,801.	372,535.
	11	Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
Liabilities	13	Investments - other (attach schedule) ATCH 11	1,511,722.	1,607,236.	2,152,354.
	14	Land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶	5,655.		ATCH 12
			4,618.	2,168.	1,037.
	15	Other assets (describe ▶)			
	16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	7,856,699.	7,963,737.	9,296,050.
	17	Accounts payable and accrued expenses	3,485.	3,293.	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	3,485.	3,293.	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> 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. ▶ <input checked="" type="checkbox"/>			
	27	Capital stock, trust principal, or current funds	1,000,000.	1,000,000.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund	1,278,612.	1,278,612.	
	29	Retained earnings, accumulated income, endowment, or other funds	5,574,602.	5,681,832.	
	30	Total net assets or fund balances (see page 17 of the instructions)	7,853,214.	7,960,444.	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	7,856,699.	7,963,737.	

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	7,853,214.
2	Enter amount from Part I, line 27a	2	107,230.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	7,960,444.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	7,960,444.

** ATCH 8

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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 PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a					
b					
c					
d					
e					
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	41,005.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8.			3		

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	229,720.	7,410,376.	0.031000
2008	308,171.	6,825,828.	0.045148
2007	365,491.	6,105,136.	0.059866
2006	595,086.	5,304,901.	0.112177
2005	516,733.	5,257,027.	0.098294
2 Total of line 1, column (d)			2 0.346485
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 0.069297
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 8,410,697.
5 Multiply line 4 by line 3			5 582,836.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,334.
7 Add lines 5 and 6			7 584,170.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.			8 205,776.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of ruling letter if necessary - see instructions)		1	2,669.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	2,669.
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	2,669.
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	1,456.	
b Exempt foreign organizations-tax withheld at source	6b	0.	
c Tax paid with application for extension of time to file (Form 8868)	6c	0.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	1,456.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,213.	
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. 0. 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) KY, MD,		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address <input type="text"/> N/A				
14	The books are in care of <input type="text"/> SCOTT P DAVIS Telephone no <input type="text"/> 270.827.0289			
Located at <input type="text"/> PO BOX 652 HENDERSON KY ZIP + 4 <input type="text"/> 42420				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	15		<input type="checkbox"/>
and enter the amount of tax-exempt interest received or accrued during the year <input type="text"/>				
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	Yes	No
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 <input type="text"/>				X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	1b	
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If "Yes," list the years <input type="text"/>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <input type="text"/>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	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

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? ☐ **5b**

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

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

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

6 a 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? ☐ Yes ☒ No **6b** X

If "Yes" to 6b, file Form 8870

7 a 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? ☐ Yes ☒ No **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED SCHEDULE		0.	0.	0.

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

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

Total number of other employees paid over \$50,000 ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services** (see page 23 of the instructions). If none, enter "NONE."

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

Total number of others receiving over \$50,000 for professional services NONE

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 (see page 24 of the instructions)

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	7,787,755.
b	Average of monthly cash balances	1b	751,024.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0.
d	Total (add lines 1a, b, and c)	1d	8,538,779.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	8,538,779.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	128,082.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	8,410,697.
6	Minimum investment return. Enter 5% of line 5	6	420,535.

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

1	Minimum investment return from Part X, line 6	1	420,535.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	2,669.
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	2,669.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	417,866.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	417,866.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	417,866.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	205,776.
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	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	205,776.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	205,776.

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

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

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				417,866.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years 20 08, 20 07, 20 06				
3 Excess distributions carryover, if any, to 2010				
a From 2005	254,656.			
b From 2006	333,731.			
c From 2007	69,161.			
d From 2008				
e From 2009				
f Total of lines 3a through e	657,548.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 205,776.				
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2010 distributable amount				205,776.
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))	212,090.			212,090.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	445,458.			
b Prior years' undistributed income Subtract line 4b from line 2b				
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.				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	42,566.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	402,892.			
10 Analysis of line 9				
a Excess from 2006	333,731.			
b Excess from 2007	69,161.			
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

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	Prior 3 years				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

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

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

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**

<div>Recipient</div> <div>Name and address (home or business)</div>	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 <i>Paid during the year</i> ATTACHMENT 13				
Total ► 3a				205,776.
b <i>Approved for future payment</i>				
Total ► 3b				

Form 990-PF (2010)

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	211,961.	
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	41,005.	
9	Net income or (loss) from special events . . .					
10	Gross profit or (loss) from sales of inventory . .					
11	Other revenue a					
b	MISCELLANEOUS INCOME			01	454.	
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)				253,420.	
13	Total. Add line 12, columns (b), (d), and (e)					253,420.

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

[illegible]

Schedule of Contributors

OMB No 1545-0047

2010

▶ **Attach to Form 990, 990-EZ, or 990-PF.**

Name of the organization

RAYMOND B. PRESTON FAMILY FOUNDATION

Employer identification number

52-1676236

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **RAYMOND B. PRESTON FAMILY FOUNDATION**

Employer identification number

52-1676236

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	OHIO VALLEY BANCORP PO BOX 5 HENDERSON, KY 42419	\$ 180,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

ATTACHMENT 1

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INTEREST INCOME	129,841.	129,841.
ACCRUED INTEREST PURCHASED	-915.	-915.
TAX EXEMPT INTEREST	2,975.	
DIVIDEND INCOME	73,323.	73,323.
RESTRICTED FBO WKU	6,737.	6,737.
TOTAL	<u>211,961.</u>	<u>208,986.</u>

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
MISCELLANEOUS INCOME	454.	454.
TOTALS	454.	454.

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	3,800.	3,800.		
TOTALS	<u>3,800.</u>	<u>3,800.</u>	<u>0.</u>	<u>0.</u>

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
MANAGEMENT FEES	46,938.	46,938.
MISC PROFESSIONAL SERVICES	3,065.	3,065.
TOTALS	<u>50,003.</u>	<u>50,003.</u>

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
PAYROLL TAXES	3,326.	3,326.
BALANCE DUE 2009 990-PF	825.	
2010 ESTIMATES	1,456.	
MISCELLANEOUS TAXES	707.	707.
TOTALS	6,314.	4,033.

ATTACHMENT 6

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
OFFICE SUPPLIES	1,415.	1,415.
DUES & SUBSCRIPTIONS	790.	790.
TRAINING EXPENSE	1,715.	1,715.
INSURANCE	1,926.	1,926.
PO BOX RENTAL	96.	96.
TOTALS	<u>5,942.</u>	<u>5,942.</u>

ATTACHMENT 7FORM 990PF, PART II - OTHER NOTES AND LOANS RECEIVABLE

BORROWER: ST. PAUL'S EPISCOPAL CHURCH
ORIGINAL AMOUNT: 626,954.
INTEREST RATE: 5.000000
DATE OF NOTE: 10/23/2008
MATURITY DATE: 10/01/2024

BEGINNING BALANCE DUE 449,529.

ENDING BALANCE DUE 93,614.

ENDING FAIR MARKET VALUE 93,614.

BORROWER: MISCELLANEOUS RECEIVABLE
ORIGINAL AMOUNT: 80.

BEGINNING BALANCE DUE 80.

TOTAL BEGINNING OTHER NOTES AND LOANS RECEIVABLE 449,609.

TOTAL ENDING BOOK - OTHER NOTES AND LOANS RECEIVABLE 93,614.

TOTAL ENDING FMV - OTHER NOTES AND LOANS RECEIVABLE 93,614.

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

<u>ATTACHMENT 8</u>	
<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
SEE DETAIL-W KY FBO PRESTON	5,000.
SEE DETAIL-W KY FBO PRESTON	25,057.
SEE DETAIL-W KY STUDENT DVLP	15,055.
SEE DETAIL-PRESTON FAM FDN	469,226.
SEE DETAIL-PRESTON FAM FDN	1,896,908.
US OBLIGATIONS TOTAL	<u>2,411,246.</u>
	<u>2,435,411.</u>

<u>ENDING FMV</u>
5,270.
26,116.
15,467.
471,237.
1,917,321.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 9

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE DETAIL-PRESTON FAMILY FDN	2,964,459.	3,715,755.
TOTALS	<u>2,964,459.</u>	<u>3,715,755.</u>

ATTACHMENT 10

FORM 990PF, PART II - CORPORATE BONDS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE DETAIL-W KY FBO PRESTON	19,652.	21,659.
SEE DETAIL-PRESTON FAMILY FDN	243,644.	254,045.
SEE DETAIL-PRESTON FAMILY FDN	97,505.	96,831.
TOTALS	<u>360,801.</u>	<u>372,535.</u>

FORM 990PF, PART II - OTHER INVESTMENTS

ATTACHMENT 11

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE DETAIL-W KY FBO PRESTON	146,262.	211,793.
SEE DETAIL-W KY STUDENT DEV	150,336.	212,199.
SEE DETAIL-PRESTON FAMILY FDN	1,310,638.	1,728,362.
TOTALS	<u>1,607,236.</u>	<u>2,152,354.</u>

Report Date. **April 28, 2011****OHIO VALLEY FINANCIAL GROUP**Time Prepared: **08:42:56 AM**Requested By: **KAREN JOHNSON**Includes: **Account: 52 00 7174 0 01 AGENT FOR PRESTON FAMILY FOUNDATION****Account Holdings as of 12/31/2010**

Cusip No.	Security Name	Shares / Par	Investment	Unit Price	Market Value	Price Date
U.S. GOVT AGENCIES						
31331JC92	FFCB 2.800% 09/07/18	100,000.0000	99,900.00	97.035	97,035.00	12/31/2010
31331JEN9	FFCB 4.190% 02/24/20	100,000.0000	100,000.00	104.094	104,094.00	12/31/2010
31331XJD5	FFCB 5.625% 12/21/21	25,000.0000	25,175.50	104.317	26,079.25	12/31/2010
3133723R3	FHLB 2.625% 12/21/16	100,000.0000	99,150.00	98.936	98,936.00	12/31/2010
3133XNW96	FHLB 5.000% 01/18/18	45,000.0000	45,001.05	100.179	45,080.55	12/31/2010
3133XXQ59	FHLB 4.400% 04/05/22	100,000.0000	100,000.00	100.012	100,012.00	12/31/2010
Total	U.S. GOVT AGENCIES	470,000.0000	469,226.55		471,236.80	
TAX-EXEMPT MUNICIPAL BDS & NTS						
02765UCU6	AM 5.514% 2/15/21 TX	50,000.0000	50,001.54	101.425	50,712.50	12/31/2010
02765UCW2	AM 5.814% 2/15/23 TX	50,000.0000	50,000.00	100.836	50,418.00	12/31/2010
035438CD0	ANN 5.4% 5/1/23 TXBL	50,000.0000	49,998.00	102.794	51,397.00	12/31/2010
068524EW3	BAR 5.370% 12/15/24	40,000.0000	40,489.07	100.797	40,318.80	12/31/2010
077006EN0	BEE 5.7% 8/1/23 TXBL	50,000.0000	50,001.14	102.101	51,050.50	12/31/2010
091096CV7	BIRM 3.463% 01/01/17	50,000.0000	49,500.00	95.909	47,954.50	12/31/2010
102885GV6	BOWL 5.480% 06/01/21	100,000.0000	100,000.00	102.932	102,932.00	12/31/2010
134041EF5	CAM 6.25% 8/1/26 TXB	50,000.0000	50,038.50	106.372	53,186.00	12/31/2010
145217CJ2	CAR 6.000% 12/01/26	35,000.0000	35,000.00	101.56	35,546.00	12/31/2010
158249JK9	CHA 4% 06/01/17 TXBL	100,000.0000	100,813.00	102.325	102,325.00	12/31/2010
16753XAG7	CH 4.41% 1/1/17 TXBL	100,000.0000	100,000.00	101.478	101,478.00	12/31/2010
221039CK4	CORY 5.500% 01/15/24	50,000.0000	50,000.00	102.541	51,270.50	12/31/2010
299620ED2	EV 5.9% 7/15/26 TXBL	50,000.0000	51,575.00	102.786	51,393.00	12/31/2010
312432RW9	FAYE 5.125% 06/01/22	50,000.0000	49,234.27	100.54	50,270.00	12/31/2010
349035KE4	FT 6% 08/01/24 TXBL	50,000.0000	50,002.00	103.307	51,653.50	12/31/2010
389102HX5	GRAV 5.600% 06/01/20	50,000.0000	50,002.85	104.35	52,175.00	12/31/2010
424794BY0	HEND 4.400% 11/01/22	50,000.0000	49,997.50	97.208	48,604.00	12/31/2010
452024GP1	IL 5.728% 2/1/18 TXB	25,000.0000	25,805.19	104.248	26,062.00	12/31/2010
452152BH3	IL 5.363% 2/1/19 TXB	100,000.0000	100,000.00	97.802	97,802.00	12/31/2010
472904P21	JEFF 5.125% 11/01/29	100,000.0000	100,971.00	93.088	93,088.00	12/31/2010
47689RQA0	JESS 6.350% 08/01/27	50,000.0000	50,010.50	103.60	51,800.00	12/31/2010
491089PU6	KEN 4.85% 9/1/18 TXB	50,000.0000	50,363.87	103.024	51,512.00	12/31/2010
49151E3Q4	KYST 4.004% 08/01/13	50,000.0000	50,001.93	104.512	52,256.00	12/31/2010
518651PB4	LAU 5.65% 8/1/22 TXB	50,000.0000	50,003.01	105.087	52,543.50	12/31/2010
546585EB2	LO 5.15% 11/15/25 TX	25,000.0000	25,000.57	96.864	24,216.00	12/31/2010
597502BE2	MI 5.355% 5/15/19 TX	25,000.0000	25,675.00	102.433	25,608.25	12/31/2010
616640CC0	MOR 5.6% 11/1/22 TXB	50,000.0000	49,995.66	101.421	50,710.50	12/31/2010
649902KR3	NYST 5.500% 12/15/13	15,000.0000	15,429.66	109.627	16,444.05	12/31/2010
65888UAG8	ND 4.9% 10/01/16 TXB	25,000.0000	25,310.00	103.016	25,754.00	12/31/2010
691021KS7	OWEN 5.030% 01/01/22	50,000.0000	50,000.00	94.483	47,241.50	12/31/2010
787760JF5	ST IL 4.95% 12/15/22	100,000.0000	100,955.00	102.077	102,077.00	12/31/2010
935007QT4	WARR 6.000% 06/01/24	50,000.0000	49,658.50	104.317	52,158.50	12/31/2010
969080ET3	WIL 6.1% 1/1/23 TXBL	50,000.0000	51,074.91	106.732	53,366.00	12/31/2010
987720CU1	YOUN 4.959% 12/15/18	100,000.0000	100,000.00	101.997	101,997.00	12/31/2010
Total	TAX-EXEMPT MUNICIPAL BDS & NT	1,890,000.0000	1,896,907.67		1,917,320.60	
CORPORATE BDS & NTS						
02639END2	AMER 6.000% 11/15/14	25,000.0000	24,979.63	84.174	21,043.50	12/31/2010
172967EH0	CITI 6.000% 08/15/17	30,000.0000	29,700.52	108.47	32,541.00	12/31/2010
189054AP4	CLX 5.450% 10/15/12	25,000.0000	25,673.00	107.251	26,812.75	12/31/2010
191216AM2	COCA 4.875% 03/15/19	25,000.0000	25,051.32	109.342	27,335.50	12/31/2010
369604BC6	GE 5.250% 12/06/17	30,000.0000	29,403.00	108.009	32,402.70	12/31/2010

Report Date: April 28, 2011

OHIO VALLEY FINANCIAL GROUP

Time Prepared: 08:42:56 AM

Requested By: KAREN JOHNSON

Includes: Account: 52 00 7174 0 01 AGENT FOR PRESTON FAMILY FOUNDATION

Account Holdings as of 12/31/2010

Cusip No.	Security Name	Shares / Par	Investment	Unit Price	Market Value	Price Date
36962G4T8	GE 2.250% 11/09/15	50,000.0000	48,867.00	96.135	48,067.50	12/31/2010
36962GZY3	GE 5.450% 01/15/13	20,000.0000	20,150.41	107.54	21,508.00	12/31/2010
87612EAP1	TARG 5.375% 05/01/17	25,000.0000	24,795.00	112.068	28,017.00	12/31/2010
929903CH3	WACH 5.625% 10/15/16	15,000.0000	15,024.37	108.784	16,317.60	12/31/2010
Total	CORPORATE BDS & NTS	245,000.0000	243,644.25		254,045.55	
COMMON STOCK - LARGE CAP						
001055102	AFLAC	700.0000	15,967.34	56.43	39,501.00	12/31/2010
00206R102	AT&T INC.	1,000.0000	29,718.61	29.38	29,380.00	12/31/2010
002824100	ABBOTT LABORATORIES	500.0000	27,334.49	47.91	23,955.00	12/31/2010
013817101	ALCOA INC	3,000.0000	34,497.35	15.39	46,170.00	12/31/2010
018490102	ALLERGAN INC	400.0000	21,980.44	68.67	27,468.00	12/31/2010
02209S103	ALTRIA GROUP INC	2,200.0000	46,146.97	24.62	54,164.00	12/31/2010
031162100	AMGEN	100.0000	6,975.59	54.90	5,490.00	12/31/2010
037833100	APPLE INC.	400.0000	56,376.22	322.56	129,024.00	12/31/2010
053015103	AUTO DATA PROCESSING	500.0000	18,877.75	46.28	23,140.00	12/31/2010
086516101	BEST BUY CO INC	1,500.0000	45,568.78	34.29	51,435.00	12/31/2010
149123101	CATERPILLAR INC	1,000.0000	34,654.60	93.66	93,660.00	12/31/2010
156700106	CENTURYTEL, INC.	900.0000	29,463.75	46.17	41,553.00	12/31/2010
17275R102	CISCO SYSTEMS	1,700.0000	36,370.90	20.23	34,391.00	12/31/2010
172967101	CITIGROUP INC	7,000.0000	53,295.95	4.73	33,110.00	12/31/2010
20825C104	CONOCOPHILLIPS	300.0000	15,591.96	68.10	20,430.00	12/31/2010
219350105	CORNING INC	600.0000	12,141.87	19.32	11,592.00	12/31/2010
25179M103	DEVON ENERGY CORP	700.0000	53,388.53	78.51	54,957.00	12/31/2010
254687106	DISNEY (WALT) CO	1,200.0000	34,800.41	37.51	45,012.00	12/31/2010
25746U109	DOMINION RESOURCES	500.0000	19,973.20	42.72	21,360.00	12/31/2010
26441C105	DUKE ENERGY HLDG COR	500.0000	7,957.34	17.81	8,905.00	12/31/2010
30161N101	EXELON CORP	600.0000	26,389.36	41.64	24,984.00	12/31/2010
30231G102	EXXON MOBIL CORP	600.0000	32,651.81	73.12	43,872.00	12/31/2010
349631101	FORTUNE BRANDS INC	500.0000	32,821.41	60.25	30,125.00	12/31/2010
35671D857	FREEPORT-MCMORAN COP	300.0000	11,265.34	120.09	36,027.00	12/31/2010
369604103	GEN ELECTRIC COM	3,000.0000	28,791.84	18.29	54,870.00	12/31/2010
370334104	GENERAL MLS INC	1,400.0000	35,437.63	35.59	49,826.00	12/31/2010
375558103	GILEAD SCIENCES INC	800.0000	37,442.15	36.24	28,992.00	12/31/2010
38141G104	GOLDMAN SACHS	450.0000	67,672.87	168.16	75,672.00	12/31/2010
38259P508	GOOGLE INC	200.0000	96,409.00	593.97	118,794.00	12/31/2010
428236103	HEWLETT PACKARD CO	800.0000	33,549.16	42.10	33,680.00	12/31/2010
437076102	HOME DEPOT INC	1,500.0000	40,626.44	35.06	52,590.00	12/31/2010
458140100	INTEL CORP	1,400.0000	11,924.50	21.03	29,442.00	12/31/2010
459200101	IBM COM	400.0000	32,316.93	146.76	58,704.00	12/31/2010
46120E602	INTUITIVE SURGICAL	225.0000	72,422.46	257.75	57,993.75	12/31/2010
464287176	ISHARES LEHMAN TIPS	500.0000	52,458.40	107.52	53,760.00	12/31/2010
46625H100	JPMORGAN CHASE & CO	1,800.0000	72,158.85	42.42	76,356.00	12/31/2010
466313103	JABIL CIRCUIT INC	3,000.0000	43,889.70	20.09	60,270.00	12/31/2010
478160104	JOHNSON & JOHNSON	500.0000	32,252.15	61.85	30,925.00	12/31/2010
502424104	L-3 COMM HLDG	400.0000	30,569.04	70.49	28,196.00	12/31/2010
565849106	MARATHON OIL CORP	400.0000	18,058.77	37.03	14,812.00	12/31/2010
580135101	MCDONALDS CORP	500.0000	34,949.50	76.76	38,380.00	12/31/2010
585055106	MEDTRONIC INC	400.0000	18,255.60	37.09	14,836.00	12/31/2010
58933Y105	MERCK & CO INC NEW	1,200.0000	38,011.90	36.04	43,248.00	12/31/2010
594918104	MICROSOFT CORP	1,000.0000	5,984.47	27.91	27,910.00	12/31/2010
629491101	NYSE EURONEXT GROUP	1,200.0000	34,694.04	29.98	35,976.00	12/31/2010
65339F101	NEXTERA ENERGY	400.0000	18,677.69	51.99	20,796.00	12/31/2010

Report Date: April 28, 2011

OHIO VALLEY FINANCIAL GROUP

Time Prepared: 08:42:56 AM

Requested By: KAREN JOHNSON

Includes: Account: 52 00 7174 0 01 AGENT FOR PRESTON FAMILY FOUNDATION

Account Holdings as of 12/31/2010

Cusip No.	Security Name	Shares / Par	Investment	Unit Price	Market Value	Price Date
670346105	NUCOR CORP	1,300.0000	56,571.79	43.82	56,966.00	12/31/2010
68389X105	ORACLE SYSTEMS	1,500.0000	31,194.33	31.30	46,950.00	12/31/2010
693506107	PPG INDUSTRIES, INC.	1,000.0000	58,873.32	84.07	84,070.00	12/31/2010
704549104	PEABODY ENERGY	1,300.0000	45,399.55	63.98	83,174.00	12/31/2010
72201R205	PIMCO US TIPS INDEX	1,000.0000	52,628.30	52.58	52,580.00	12/31/2010
74005P104	PRAXAIR INC.	400.0000	24,546.90	95.47	38,188.00	12/31/2010
742718109	PROCTOR & GAMBLE	500.0000	26,572.77	64.33	32,165.00	12/31/2010
747525103	QUALCOMM INC	1,500.0000	62,425.91	49.49	74,235.00	12/31/2010
755111507	RAYTHEON CO	300.0000	18,534.83	46.34	13,902.00	12/31/2010
806857108	SCHLUMBERGER LTD	900.0000	43,804.76	83.50	75,150.00	12/31/2010
855030102	STAPLES, INC.	300.0000	7,155.21	22.77	6,831.00	12/31/2010
857477103	STATE STREET CORP	600.0000	23,970.54	46.34	27,804.00	12/31/2010
863667101	STRYKER CORP	300.0000	15,302.13	53.70	16,110.00	12/31/2010
871829107	SYSCO CORP	1,600.0000	34,416.81	29.40	47,040.00	12/31/2010
872540109	TJX CO., INC.	700.0000	23,637.83	44.39	31,073.00	12/31/2010
87971M202	TELUS CORPORATION	400.0000	17,399.04	43.56	17,424.00	12/31/2010
881624209	TEVA PHAR INDUS ADR	1,100.0000	57,720.55	52.13	57,343.00	12/31/2010
88579Y101	MMM CO	800.0000	52,621.79	86.30	69,040.00	12/31/2010
892331307	TOYOTA MTR CORP	1,000.0000	79,596.50	78.63	78,630.00	12/31/2010
904767704	UNILEVER ADR	1,100.0000	27,686.55	30.88	33,968.00	12/31/2010
907818108	UNION PACIFIC CORP	700.0000	40,378.35	92.66	64,862.00	12/31/2010
913017109	UNITED TECHNOLOGIES	1,100.0000	66,390.48	78.72	86,592.00	12/31/2010
922042858	VANGUARD EMER MKT	2,800.0000	80,398.91	48.146	134,808.80	12/31/2010
92220P105	VARIAN MEDICAL SYS	800.0000	28,847.75	69.28	55,424.00	12/31/2010
92240G101	VECTREN CORP	500.0000	13,762.14	25.38	12,690.00	12/31/2010
92343V104	VERIZON COMM	1,000.0000	27,408.23	35.78	35,780.00	12/31/2010
92553P201	VIACOM INC	1,200.0000	38,485.08	39.61	47,532.00	12/31/2010
92826C839	VISA INC	1,200.0000	70,094.41	70.38	84,456.00	12/31/2010
931142103	WALMART STORES INC	1,200.0000	63,919.51	53.93	64,716.00	12/31/2010
931422109	WALGREEN COMPANY	1,200.0000	45,664.23	38.96	46,752.00	12/31/2010
94973V107	WELLPOINT INC. COM	1,000.0000	56,263.94	56.86	56,860.00	12/31/2010
949746101	WELLS FARGO & CO NEW	1,000.0000	29,837.07	30.99	30,990.00	12/31/2010
G1151C101	ACCENTURE PLC	1,000.0000	30,300.64	48.49	48,490.00	12/31/2010
G6359F103	NABORS INDUST LTD	800.0000	15,730.27	23.46	18,768.00	12/31/2010
H8817H100	TRANSOCEAN LTD	700.0000	36,155.74	69.51	48,657.00	12/31/2010
Total	COMMON STOCK - LARGE CAP	81,975.0000	2,964,459.22		3,715,754.55	
PREFERRED STOCK						
61750K208	MORGAN 6.600% PFD	1,500.0000	37,502.14	23.75	35,625.00	12/31/2010
63540T200	NATL CITY 6.625% PFD	600.0000	15,000.47	24.98	14,988.00	12/31/2010
63540U207	NAT CITY 8.000% PFD	400.0000	10,000.13	26.02	10,408.00	12/31/2010
74460D257	PUBLIC 6.750% PFD	1,000.0000	25,000.71	25.27	25,270.00	12/31/2010
92979K208	WACH BANK 7.850% PFD	400.0000	10,001.82	26.35	10,540.00	12/31/2010
Total	PREFERRED STOCK	3,900.0000	97,505.27		96,831.00	
MUTUAL FDS-GOVERNMENT BONDS						
04314H501	ARTISAN SMALL CAP	18,179.8270	239,927.88	16.85	306,330.08	12/31/2010
411511306	HARBOR INTL FUND	6,018.0230	295,771.66	60.55	364,391.29	12/31/2010
47103E684	JANUS TWENTY FD	891.8980	50,202.31	65.72	58,615.54	12/31/2010
641224100	NEU BERM GENESIS INV	8,940.8220	212,928.76	33.22	297,014.11	12/31/2010
779556109	T ROWE PRICE MC FD	7,552.4700	323,941.32	58.53	442,046.07	12/31/2010
921926200	VANGUARD EXPLORER	3,832.0310	187,865.95	67.84	259,964.98	12/31/2010

Report Date: *April 28, 2011*

OHIO VALLEY FINANCIAL GROUP

Time Prepared: *08:42:56 AM*

Requested By: *KAREN JOHNSON*

Includes: *Account: 52 00 7174 0 01 AGENT FOR PRESTON FAMILY FOUNDATION*

Account Holdings as of 12/31/2010

Cusip No.	Security Name	Shares / Par	Investment	Unit Price	Market Value	Price Date
Total	MUTUAL FDS-GOVERNMENT BOND	45,415.0710	1,310,637.88		1,728,362.07	
60934N112	PRIME MGMT OBLG #017	511,147.8700	511,147.87	1.00	511,147.87	07/21/2008
Total	MISC CASH EQUIV-TXBL	511,147.8700	511,147.87		511,147.87	

Report Date: April 28, 2011

OHIO VALLEY FINANCIAL GROUP

Time Prepared: 08:42:42 AM

Requested By: KAREN JOHNSON

Includes: Account: 52 02 7174 0 01 AGENT WESTERN KY UNIV FBO STUDENT DEVELOPMENT

Account Holdings as of 12/31/2010

Cusip No.	Security Name	Shares / Par	Investment	Unit Price	Market Value	Price Date
TAX-EXEMPT MUNICIPAL BDS & NTS						
389102HY3	GRAV 5.700% 06/01/21	5,000.0000	5,000.10	103.916	5,195.80	12/31/2010
616640CC0	MOR 5.6% 11/1/22 TXB	5,000.0000	4,999.57	101.421	5,071.05	12/31/2010
706770FK5	PEND 6.250% 06/01/24	5,000.0000	5,055.37	104.00	5,200.00	12/31/2010
Total	TAX-EXEMPT MUNICIPAL BDS & NT	15,000.0000	15,055.04		15,466.85	
COMMON STOCK - LARGE CAP						
922042858	VANGUARD EMER MKT	150.0000	4,941.24	48.146	7,221.90	12/31/2010
Total	COMMON STOCK - LARGE CAP	150.0000	4,941.24		7,221.90	
MUTUAL FDS-GOVERNMENT BONDS						
04314H501	ARTISAN SMALL CAP	812.2150	11,013.17	16.85	13,685.82	12/31/2010
411511108	HARBOR BOND FUND	449.3440	5,565.65	12.10	5,437.06	12/31/2010
411511306	HARBOR INTL FUND	344.7330	15,810.07	60.55	20,873.58	12/31/2010
641224100	NEU BERM GENESIS INV	688.5250	17,239.01	33.22	22,872.80	12/31/2010
77954Q106	T. ROWE BLUE CHIP	1,254.9460	29,120.70	38.13	47,851.09	12/31/2010
779556109	T ROWE PRICE MC FD	686.0780	26,612.63	58.53	40,156.15	12/31/2010
921926200	VANGUARD EXPLORER	75.2750	3,038.35	67.84	5,106.66	12/31/2010
922031307	VANGUARD GNMA FD	498.4730	5,360.60	10.74	5,353.60	12/31/2010
922031836	VANG S-T INV GRD ADM	493.0710	5,215.14	10.77	5,310.37	12/31/2010
922908496	VANG 500 INDEX (SIG)	400.6050	26,419.24	95.68	38,329.89	12/31/2010
Total	MUTUAL FDS-GOVERNMENT BOND	5,703.2650	145,394.56		204,977.02	
MISC CASH EQUIV-TXBL						
60934N112	PRIME MGMT OBLG #017	4,872.1200	4,872.12	1.00	4,872.12	07/21/2008
Total	MISC CASH EQUIV-TXBL	4,872.1200	4,872.12		4,872.12	
Total Securities		25,725.3850	170,262.96		232,537.89	
Income Cash			0.00		0.00	
Principal Cash			0.00		0.00	
Account Total			170,262.96		232,537.89	

Report Date: *April 28, 2011*

OHIO VALLEY FINANCIAL GROUP

Time Prepared: *08:40:49 AM*Requested By: *KAREN JOHNSON*Includes: *Account: 52 01 7174 0 01 AGENT WESTERN KY UNIV FBO PRESTON CENTER***Account Holdings as of 12/31/2010**

Cusip No.	Security Name	Shares / Par	Investment	Unit Price	Market Value	Price Date
U.S. GOVT AGENCIES						
3133XLH22	FHLB 6.000% 07/03/17	5,000.0000	5,000.11	105.397	5,269.85	12/31/2010
Total	U.S. GOVT AGENCIES	5,000.0000	5,000.11		5,269.85	
TAX-EXEMPT MUNICIPAL BDS & NTS						
389102HY3	GRAV 5.700% 06/01/21	5,000.0000	5,000.10	103.916	5,195.80	12/31/2010
49130P7Q1	KYHSG 5.440% 07/1/13	10,000.0000	10,002.50	106.494	10,649.40	12/31/2010
616640CC0	MOR 5.6% 11/1/22 TXB	5,000.0000	4,999.57	101.421	5,071.05	12/31/2010
706770FK5	PEND 6.250% 06/01/24	5,000.0000	5,055.37	104.00	5,200.00	12/31/2010
Total	TAX-EXEMPT MUNICIPAL BDS & NT	25,000.0000	25,057.54		26,116.25	
CORPORATE BDS & NTS						
36966RW85	GE 4.000% 04/15/12	5,000.0000	5,000.21	102.182	5,109.10	12/31/2010
437076AP7	HOME 5.400% 03/01/16	10,000.0000	9,887.76	112.061	11,206.10	12/31/2010
91324PAM4	UHG 4.875% 03/15/15	5,000.0000	4,763.84	106.882	5,344.10	12/31/2010
Total	CORPORATE BDS & NTS	20,000.0000	19,651.81		21,659.30	
COMMON STOCK - LARGE CAP						
922042858	VANGUARD EMER MKT	100.0000	3,294.16	48.146	4,814.60	12/31/2010
Total	COMMON STOCK - LARGE CAP	100.0000	3,294.16		4,814.60	
MUTUAL FDS-GOVERNMENT BONDS						
04314H501	ARTISAN SMALL CAP	763.8910	10,049.61	16.85	12,871.56	12/31/2010
411511306	HARBOR INTL FUND	364.4130	17,672.45	60.55	22,065.21	12/31/2010
641224100	NEU BERM GENESIS INV	545.4400	13,803.96	33.22	18,119.52	12/31/2010
77954Q106	T. ROWE BLUE CHIP	1,373.0980	31,144.44	38.13	52,356.23	12/31/2010
779556109	T ROWE PRICE MC FD	612.6510	23,335.29	58.53	35,858.46	12/31/2010
921926200	VANGUARD EXPLORER	225.5400	11,134.27	67.84	15,300.63	12/31/2010
922908496	VANG 500 INDEX (SIG)	526.8320	35,827.34	95.68	50,407.29	12/31/2010
Total	MUTUAL FDS-GOVERNMENT BOND	4,411.8650	142,967.36		206,978.90	
MISC CASH EQUIV-TXBL						
60934N112	PRIME MGMT OBLG #017	6,935.4900	6,935.49	1.00	6,935.49	07/21/2008
Total	MISC CASH EQUIV-TXBL	6,935.4900	6,935.49		6,935.49	
Total Securities		61,447.3550	202,906.47		271,774.39	
Income Cash			-362.17		-362.17	
Principal Cash			362.17		362.17	
Account Total			202,906.47		271,774.39	

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 12

FIXED ASSET DETAIL ACCUMULATED DEPRECIATION DETAIL

ASSET DESCRIPTION	METHOD/ CLASS	FIXED ASSET DETAIL			ACCUMULATED DEPRECIATION DETAIL		
		BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS
BUSEQ/TOSHI COPIER	M5	5,655			5,655	3,487	1,131
TOTALS		<u>5,655</u>			<u>5,655</u>	<u>3,487</u>	
							<u>4,618</u>

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 13

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE ATTACHED SCHEDULE

NONE
PUBLIC

CHARITABLE

205,776

TOTAL CONTRIBUTIONS PAID

205,776

Raymond B. Preston Family Foundation
Schedule Supplementing Form 990-PF - 2010

<u>RECIPIENT</u>	<u>PURPOSE</u>	<u>AMOUNT</u>
American Red Cross 300 Center Street Henderson KY 42420	Civic	\$ 100.00
Audubon Park Museum 2910 US Hwy 41 N Henderson KY 42420	Art	\$ 3,000.00
Bainbridge Schools Fdn. 8489 Madison Avenue NE Bainbridge Island WA 98110	Health	\$ 35,000.00
Children's Museum of Evansville P O Box 122 Evansville IN 47701 35-1951848	Civic	\$ 5,000.00
Easter Seals Rehab Center 3701 Bellemeade Avenue Evansville IN 47714 35-0909982	Health	\$ 5,000.00
Episcopal Diocese of Lexington P O Box 610 Lexington KY 40588-0610	Education	\$ 7,000.00
Good News Jail Ministry 380 Borax Drive Henderson KY 42420 54-0703077	Civic	\$ 250.00
Grace Episcopal Church 820 Broadway Paducah KY 42001	Education	\$ 3,000.00
Henderson Area Arts Alliance P O Box 234 Henderson KY 42419-0234 31-1005619	Arts	\$ 10,000.00
Henderson Co. Diabetes Coalition P O Box 863 Henderson KY 42419-0863 31-1536401	Other	\$ 10,000.00

Henderson Relay for Life 1302 Frederica Street Owensboro KY 42401 61-004729-N	Other	\$	1,500.00
Housing Authority of Henderson 111 S. Adams Street Henderson KY 42420	Education	\$	21,800.00
Interfaith Homeless Network P O Box 1146 Chattanooga TN 37401 31-1529222	Family Fund (Critser)	\$	10,000.00
Jr. Achievement of West KY 1195 Wing Avenue Owensboro KY 42303 84-1267604	Civic	\$	5,000.00
Murray State University 500 Sparks Hall Murray KY 42071	Scholarship	\$	2,500.00
Riverbend Academy P O Box 482 Henderson KY 42419-0482 20-5397816	Arts	\$	3,000.00
Salvation Army 1213 Washington St Henderson KY 42420 58-0660607	Primary ED	\$	250.00
Shelter for Women & Children P O Box 1617 Henderson KY 42419-1617 61-1335313	Other	\$	10,000.00
St. Anthony's Hospice 2410 S Green Street Henderson KY 42420 31-1010566	Health	\$	25,000.00
St. Paul's Episcopal Church 5 S. Green Street Henderson KY 42420	Other	\$	40,125.92
University of So. IN 8600 University Blvd. Evansville N 47712	Higher Ed	\$	500.00

Volunteer & Information Ctr. 125 First Street Suite 102 Henderson KY 42420 62-1436387	Civic	\$	1,500.00
Volunteer & Information Ctr. 125 First Street Suite 102 Henderson KY 42420 62-1436387	Volunteer	\$	500.00
Warehouse of Worship 706 Comanche Drive Henderson KY 42420	Volunteer	\$	250.00
Warehouse of Worship 706 Comanche Drive Henderson of KY 42420	Matching	\$	500.00
WNIN 405 Carpenter Street Evansville IN 47708 35-1307165	Other	\$	5,000.00
TOTAL		\$	205,775.92

**SCHEDULE D
(Form 1041)**

Capital Gains and Losses

OMB No 1545-0092

2010

Department of the Treasury
Internal Revenue Service

► **Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

Name of estate or trust

RAYMOND B. PRESTON FAMILY FOUNDATION

Employer identification number

52-1676236

Note: Form 5227 filers need to complete **only** Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a SHORT-TERM CAPITAL GAIN DIVIDENDS					273.

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	397.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back	5	670.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS					19,455.

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	20,880.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back	12	40,335.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2010

Part III Summary of Parts I and II Caution: Read the instructions before completing this part.		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		670.
14	Net long-term gain or (loss):			
a	Total for year	14a		40,335.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a	15		41,005.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and **do not** complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, necessary.

Part IV Capital Loss Limitation	
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of a The loss on line 15, column (3) or b \$3,000

Note: If the loss on line 15, column (3), is more than \$3,000, **or** if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if

- Either line 14b, col (2) or line 14c, col (2) is more than zero, **or**
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . .	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . .	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0-	21	
22	Subtract line 21 from line 20. If zero or less, enter -0-	22	
23	Subtract line 22 from line 17. If zero or less, enter -0-	23	
24	Enter the smaller of the amount on line 17 or \$2,300	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (15)	30	
31	Figure the tax on the amount on line 23. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33	
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34	

Schedule D (Form 1041) 2010

**Continuation Sheet for Schedule D
(Form 1041)**

OMB No 1545-0092

2010

► See instructions for Schedule D (Form 1041).

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

Name of estate or trust

RAYMOND B. PRESTON FAMILY FOUNDATION

Employer identification number

52-1676236

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

[illegible]

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b 397.

Employer identification number

[illegible]

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b	20,880.
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0077

PREPARED FOR ACCOUNT # 52 00 7174 0 01 - AGENT FOR PRESTON FAMILY FOUNDATION

TAX LEDGER

PAGE 1

PROCESS DATE 01/11/2011

FOR TAX YEAR ENDED 12/31/2010

ACCOUNT SITUS = KY
TAX ID# = 521676236
STATE TAX ID# =

SECTION A - CAPITAL GAINS & LOSSES

SHORT TERM SALES & MATURITIES

SHARES/PAR	SECURITY	REG	DATE ACQUIRED SOLD	CAPITAL PROCEEDS TO INCOME CASH PRINCIPAL CASH	COST BASIS	SHORT TERM GAIN OR LOSS
100000.0000	AMERICAN EXPRESS BK UTAH CD .500% 09/30/10 (02586VHW2)	D	06/22/10 09/30/10	100000.00	-100000.00	0.00
25000.0000	FEDERAL HOME LN MTG CORP DEB 5.300% 05/12/20 (3128X4BE0)	4	08/28/09 05/12/10	25000.00	-25438.75	-438.75
50000.0000	FEDERAL HOME LN MTG CORP DEB 4.750% 01/29/20 (3128X6C79)	4	06/10/09 01/29/10	50000.00	-49705.00	295.00
100000.0000	FEDERAL HOME LN MTG CORP S/U DEB 4.250% 03/17/25 (3128X9K41)	4	03/01/10 09/17/10	100000.00	-100000.00	0.00
100000.0000	FEDERAL HOME LN MTG CORP DEB 4.000% 02/26/18 (3128X9ZAI)	4	02/10/10 08/26/10	100000.00	-100000.00	0.00
50000.0000	FEDERAL HOME LN BKS DEB 3.800% 06/15/16 (3133XTQY5)	4	07/10/09 06/02/10	50000.00	-49965.63	34.37
50000.0000	FEDERAL FARM CR BKS DEB 4.490% 07/22/19 (31331GC64)	4	07/22/09 07/22/10	50000.00	-50005.00	-5.00
50000.0000	FEDERAL FARM CR BKS DEB 3.625% 07/28/15 (31331GD30)	4	07/30/09 07/28/10	50000.00	-49902.08	97.92
50000.0000	FEDERAL NATL MTG ASSM S/U DEB 4.250% 02/20/24 (3136FHAP0)	4	07/16/09 02/22/10	50000.00	-49955.00	45.00
50000.0000	FEDERAL NATL MTG ASSM DEB 5.050% 07/22/24 (3136FHV93)	4	08/04/09 07/22/10	50000.00	-49628.35	371.65
100000.0000	FEDERAL NATL MTG ASSM S/U DEB 4.000% 08/26/21 (3136FH6Q3)	4	08/13/09 02/26/10	100000.00	-100001.85	-1.85
50000.0000	FEDERAL NATL MTG ASSM DEB 4.400% 01/29/18 (3136F8N84)	4	08/20/09 04/29/10	50000.00	-50001.35	-1.35
	TOTAL SHORT TERM SALES & MATURITIES			775000.00	774603.01	396.99
	TOTAL SHORT TERM GAIN & LOSSES					396.99

LONG TERM SALES & MATURITIES

SHARES/PAR	SECURITY	REG	DATE ACQUIRED SOLD	CAPITAL PROCEEDS TO INCOME CASH PRINCIPAL CASH	COST BASIS	LONG TERM GAIN OR LOSS
100.0000	APPLE INC (037833100)	D	01/31/08 12/07/10	32197.57	-14094.06	18103.51
500.0000	BP AMOCO P L C (055622104)	D	04/17/96 06/10/10	16044.73	-20589.33	-4544.60
200.0000	BP AMOCO P L C (055622104)	D	04/17/96 06/18/10	6432.37	-8235.73	-1803.36
300.0000	BP AMOCO P L C (055622104)	D	04/17/96 06/30/10	8603.85	-12353.60	-3749.75
1000.0000	BANK AMER CORP (060505104)	D	03/24/97 10/28/10	11589.80	-18258.08	-6668.28
25000.0000	FEDERAL HOME LN MTG CORP DEB 4.500% 01/09/15 (3128X6YL4)	4	01/09/08 01/11/10	25000.00	-24995.07	4.93
25000.0000	FEDERAL HOME LN BKS DEB 4.500% 05/14/15 (3133XR4N7)	4	05/14/08 05/24/10	25000.00	-25000.69	-0.69

0077

PREPARED FOR ACCOUNT # 52 00 7174 0 01 - AGENT FOR PRESTON FAMILY FOUNDATION

TAX LEDGER

PAGE 2

PROCESS DATE 01/11/2011

FOR TAX YEAR ENDED 12/31/2010

ACCOUNT SITUS = KY
TAX ID# = 521676236
STATE TAX ID# =

SECTION A - CAPITAL GAINS & LOSSES

LONG TERM SALES & MATURITIES

SHARES/PAR	SECURITY	REG	DATE ACQUIRED SOLD	CAPITAL PROCEEDS TO INCOME CASH PRINCIPAL CASH	COST BASIS	LONG TERM GAIN OR LOSS
25000.0000	FEDERAL HOME LN BKS DEB 4.100% 03/16/16 (3133XTBG0)	4	03/09/09 03/16/10	25000.00	-25023.69	-23.69
50000.0000	FEDERAL HOME LN BKS DEB 4.450% 06/10/21 (3133XTQ66)	4	06/16/09 08/09/10	50000.00	-48753.58	1246.42
50000.0000	FEDERAL HOME LN BKS DEB 4.250% 08/24/16 (3133XUN82)	4	08/17/09 08/24/10	50000.00	-50207.50	-207.50
35000.0000	FEDERAL FARM CR BKS DEB 3.950% 07/21/16 (31331GC56)	4	07/16/09 07/21/10	35000.00	-34968.50	31.50
0.0400	FRONTIER COMMUNICATIONS CORP (35906A108)	D	10/02/08 07/16/10	0.29	-0.29	0.00
240.0000	FRONTIER COMMUNICATIONS CORP (35906A108)	D	10/02/08 08/30/10	1833.56	-1730.26	103.30
100.0000	GOLDMAN SACHS GROUP (38141G104)	D	03/05/08 04/23/10	15921.65	-14921.83	999.82
125.0000	GOOGLE INC (38259P508)	D	10/24/07 03/17/10	71182.37	-60255.62	10926.75
30000.0000	HOME DEPOT INC DEB 4.625% 08/15/10 (437076AM4)	D	01/03/08 08/15/10	30000.00	-29715.90	284.10
400.0000	NORTHERN TRUST CORPORATION (665859104)	D	06/19/09 10/18/10	19855.65	-21216.64	-1360.99
700.0000	PHILLIP MORRIS INT'L INC. (718172109)	D	11/07/06 05/12/10	33502.90	-32911.21	591.69
1500.0000	US BANCORP DEL COMPANY (902973304)	D	04/24/03 07/16/10	34572.02	-27625.53	6946.49
	TOTAL LONG TERM SALES & MATURITIES			491736.76	470857.11	20379.65

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

▶ See separate instructions.

▶ Attach to your tax return.

OMB No 1545-0172

2010Attachment
Sequence No **67**

Name(s) shown on return

Identifying number

RAYMOND B. PRESTON FAMILY FOUNDATION

52-1676236

Business or activity to which this form relates

GENERAL DEPRECIATION**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011 Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property) (See instructions)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	1,131.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20a Class life				S/L	
b 12-year			12 yrs	S/L	
c 40-year			40 yrs	MM	S/L

Part IV Summary (See instructions.)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instructions	22	1,131.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable**

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?				Yes	No	24b If "Yes," is the evidence written?				Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)									25		
26 Property used more than 50% in a qualified business use											
		%									
		%									
		%									
27 Property used 50% or less in a qualified business use											
		%				S/L -					
		%				S/L -					
		%				S/L -					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1									28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1									29		

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2010 tax year (see instructions)					
43 Amortization of costs that began before your 2010 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

GENERAL DEPRECIATION

AMORTIZATION							
Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending accumulated amortization	Code	Life	Current-year amortization
TOTALS							

PAGE: 39

FORM 990-PF - PART IV**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS					273.	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					19,455.	
775,000.		SEE ATTACHED PROPERTY TYPE: SECURITIES 774,603.				P	VARIOUS 397.	VARIOUS
491,737.		SEE ATTACHED 470,857.					VARIOUS 20,880.	VARIOUS
TOTAL GAIN (LOSS)							<u>41,005.</u>	

Raymond B. Preston Family Foundation

Officers

Dave Walaskay	President
Jennifer Preston	Vice President
Scott P. Davis	Administrative Manager
Donald R. Mering	Assistant Secretary
Mike Pullen	Secretary
Kay Smith	Recording Secretary
Chris Melton	Treasurer

Directors

	<u>Elected</u>	<u>Term</u>
Gary Critser	Nov. 2008	2009 – 2011
Jeff Preston	Nov. 2008	2009 – 2011
Viki Brigham	Nov. 2008	2009 – 2011
Jennifer Preston	Nov. 2009	2010 – 2012
Dave Walaskay	Nov. 2009	2010 – 2012
Logan Critser	Nov. 2010	2011 – 2013
Mike Pullen	Nov. 2010	2011 – 2013
Chris Melton		Ex-Officio Member

**The president will serve for a term of one year or until replaced. A president can be elected in succession not to exceed a three year period.*

**Offices/Directors will serve for a three year period.*