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

OMB No 1545-0052

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning , 2010, 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 Falk-Griffin Foundation		A Employer identification number 52-2255664
Number and street (or P O box number if mail is not delivered to street address) 202 Sea Oats Circle		B Telephone number (see the instructions) (843) 237-5911
City or town Pawleys Island	State ZIP code SC 29585	C If exemption application is pending, check here ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1 Foreign organizations, check here ☐
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 1,181,566.	J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis)	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 the instructions))

	(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 (att sch)	1,553.			
2 Cl ☒ if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments	240.	240.		
4 Dividends and interest from securities	4,650.	4,650.		
5a Gross rents				
b Net rental income or (loss)		L-6a Stmt		
6a Net gain/(loss) from sale of assets not on line 10	-38,164.			
b Gross sales price for all assets on line 6a	1,958,091.			
7 Capital gain net income (from Part IV, line 2)		18,178.		
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/(loss) (att sch)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	-31,721.	23,068.		
ADMINISTRATIVE EXPENSES				
13 Compensation of officers, directors, trustees, etc				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch) L-16b Stmt	750.	750.		
c Other professional fees (attach sch) L-16c Stmt	2,161.	2,161.		
17 Interest				
18 Taxes (attach schedule) (see instr)				
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)				
Administrative	446.	446.		
24 Total operating and administrative expenses. Add lines 13 through 23	3,357.	3,357.		
25 Contributions, gifts, grants paid	136,634.			136,635.
26 Total expenses and disbursements. Add lines 24 and 25	139,991.	3,357.		136,635.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-171,712.			
b Net investment income (if negative, enter -0-)		19,711.		
c Adjusted net income (if negative, enter -0-)				

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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	6,261.	19,553.	19,553.
	2 Savings and temporary cash investments	422,828.	65,013.	65,013.
	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 the instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U S and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule) L-10b Stmt	820,804.	1,011,793.	1,097,000.
	c Investments – corporate bonds (attach schedule)			
	11 Investments – land, buildings, and equipment basis			
Less accumulated depreciation (attach schedule)				
12 Investments – mortgage loans				
13 Investments – other (attach schedule)				
14 Land, buildings, and equipment basis				
Less accumulated depreciation (attach schedule)				
15 Other assets (describe)				
16 Total assets (to be completed by all filers – see instructions Also, see page 1, item I)	1,249,893.	1,096,359.	1,181,566.	
LIABILITIES	17 Accounts payable and accrued expenses	0.	0.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	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	1,249,893.	1,096,359.	
	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			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see the instructions)	1,249,893.	1,096,359.	
	31 Total liabilities and net assets/fund balances (see the instructions)	1,249,893.	1,096,359.	

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	1,249,893.
2 Enter amount from Part I, line 27a	2	-171,712.
3 Other increases not included in line 2 (itemize) <u>Capital Gain Income</u>	3	18,178.
4 Add lines 1, 2, and 3	4	1,096,359.
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	1,096,359.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a Fairholme Funds	P	Various	12/16/10
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 18,178.		0.	18,178.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a 0.	0.	0.	18,178.
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	18,178.
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 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 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 (column (b) divided by column (c))
2009	131,831.	1,204,191.	0.109477
2008	108,595.	1,724,686.	0.062965
2007	120,720.	2,142,884.	0.056335
2006	91,679.	1,954,946.	0.046896
2005	95,262.	1,848,655.	0.051530

2 Total of line 1, column (d)	2	0.327203
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	0.065441
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1,101,023.
5 Multiply line 4 by line 3	5	72,052.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	197.
7 Add lines 5 and 6	7	72,249.
8 Enter qualifying distributions from Part XII, line 4	8	136,635.

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 the instructions)

1 a 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 instr.)		1	197.
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, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	197.
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	197.
6 Credits/Payments			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a	997.	
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	997.	
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		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	800.	
11 Enter the amount of line 10 to be Credited to 2011 estimated tax	11	800.	
	Refunded		

Part VII-A Statements Regarding Activities

	Yes	No
1 a 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 the instructions for definition)?		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?		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
4 a 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?		X
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, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions)		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation		X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If 'Yes,' complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		X

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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 instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>Carl Falk</u> Telephone no <u>(843) 237-5911</u> Located at <u>202 Sea Oats Circle, Pawleys Island, SC</u> ZIP + 4 <u>29585</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here ☐ and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			
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 X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country <u></u>				

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No		
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here ☐	1b	
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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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 the instructions)	2b	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b	If 'Yes,' did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

5b

Organizations relying on a current notice regarding disaster assistance check here

☐

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

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

6b

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation (see 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
Carl O. Falk 202 Sea Oats Circle Pawleys Island SC 29585	President 0.00	0.	0.	0.
Marcia Falk 202 Sea Oats Circle Pawleys Island SC 29585	Secretary 0.00	0.	0.	0.
Carla Griffin Falk-Todd 276 Old Augusta Drive Pawleys Island SC 29585	CFO 0.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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				
0				
0				
0				
0				

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

None

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 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	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

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

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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	932,750.
b	Average of monthly cash balances	1b	185,040.
c	Fair market value of all other assets (see instructions)	1c	0.
d	Total (add lines 1a, b, and c)	1d	1,117,790.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,117,790.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	16,767.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,101,023.
6	Minimum investment return. Enter 5% of line 5	6	55,051.

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	55,051.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	197.
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	197.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	54,854.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	54,854.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	54,854.

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	136,635.
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	136,635.
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 instructions)	5	197.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	136,438.

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				54,854.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2010				
a From 2005	0.			
b From 2006	0.			
c From 2007	0.			
d From 2008	0.			
e From 2009	22,595.			
f Total of lines 3a through e	22,595.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 136,635.				
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2010 distributable amount				0.
e Remaining amount distributed out of corpus	136,635.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	22,595.			22,595.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	136,635.			
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				
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 instructions			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				32,259.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	32,259.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	104,376.			
10 Analysis of line 9				
a Excess from 2006	0.			
b Excess from 2007	0.			
c Excess from 2008	0.			
d Excess from 2009	0.			
e Excess from 2010	104,376.			

BAA

Form 990-PF (2010)

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

N/A

- 1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling

- b** Check box to indicate whether the foundation is a private operating foundation described in section

7

4942(j)(3) o

4942(j)(5)

- 2a** 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 organization had \$5,000 or more in assets at any time during the year – see 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

- 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				
American Red Cross Coastal SC 537 Lafayette Circle Georgetown SC 29440	None	Nonprofit	Support	1,000.
Birthright of Georgetown Post Office Box 3455 Pawleys Island SC 29585	None	Nonprofit	Support	500.
Brookgreen Gardens Post Office Box 3368 Pawleys Island SC 29585	None	Nonprofit	Support	13,000.
Coastal Educational Foundation Post Office Box 261954 Conway SC 29528	None	Nonprofit	Support	675.
ETV Endowment of South Carolina 401 E Kennedy Street Ste B-1 Spartanburg SC 29302	None	Nonprofit	Support	10,243.
First Presbyterian Church 1324 Marion Street Columbia SC 29201	None	Nonprofit	Support	927.
Heritage Foudation 214 Massachusetts Avenue NE Washington DC 20002	None	Nonprofit	Support	2,500.
Lowcountry Food bank 1635 Cosgrove Avenue Charleston SC 29405	None	Nonprofit	Support	22,750.
Outreach Farm Post Office Box 644 Pawleys Island SC 29585	None	Nonprofit	Support	500.
See Line 3a statement				84,539.
Total			3a	136,634.
b Approved for future payment				
Total			3b	

Part XVI-A: Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	240.	
4	Dividends and interest from securities			14	4,650.	
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	-38,164.	0.
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)				-33,274.	0.
13	Total. Add line 12, columns (b), (d), and (e)				-33,274.	0.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

**Form 990-PF
Part I, Line 6a****Net Gain or Loss From Sale of Assets****2010**

Name **Falk-Griffin Foundation** Employer Identification Number **52-2255664**

Asset Information:

Description of Property	1,229.616 shs Vanguard Total Intl Stock Fund		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/01/10	Name of Buyer	
Sales Price	15,690.	Cost or other basis (do not reduce by depreciation)	10,968.
Sales Expense		Valuation Method	
Total Gain (Loss)	4,722.	Accumulation Depreciation	
Description of Property	5,216 shs Fairholme Fund		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/02/10	Name of Buyer	
Sales Price	157,210.	Cost or other basis (do not reduce by depreciation)	153,614.
Sales Expense		Valuation Method	
Total Gain (Loss)	3,596.	Accumulation Depreciation	
Description of Property	2,500 shs Fairholme Fund		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/06/10	Name of Buyer	
Sales Price	74,975.	Cost or other basis (do not reduce by depreciation)	81,825.
Sales Expense		Valuation Method	
Total Gain (Loss)	-6,850.	Accumulation Depreciation	
Description of Property	134.181 shs Vanguard Energy Fund		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/01/10	Name of Buyer	
Sales Price	6,870.	Cost or other basis (do not reduce by depreciation)	9,087.
Sales Expense		Valuation Method	
Total Gain (Loss)	-2,217.	Accumulation Depreciation	
Description of Property	547.527 shs Vanguard Prime Cap Fund		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/01/10	Name of Buyer	
Sales Price	29,101.	Cost or other basis (do not reduce by depreciation)	25,243.
Sales Expense		Valuation Method	
Total Gain (Loss)	3,858.	Accumulation Depreciation	
Description of Property	932.544 shs Vanguard Total Stock Market Fund		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/01/10	Name of Buyer	
Sales Price	23,771.	Cost or other basis (do not reduce by depreciation)	20,826.
Sales Expense		Valuation Method	
Total Gain (Loss)	2,945.	Accumulation Depreciation	
Description of Property	2,900 shs Vanguard International Emerging Markets Fund		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/01/10	Name of Buyer	
Sales Price	110,289.	Cost or other basis (do not reduce by depreciation)	121,273.
Sales Expense		Valuation Method	
Total Gain (Loss)	-10,984.	Accumulation Depreciation	
Description of Property	See Net Gain or Loss from Sale of Assets		
Date Acquired		How Acquired	
Date Sold		Name of Buyer	
Sales Price		Cost or other basis (do not reduce by depreciation)	
Sales Expense		Valuation Method	
Total Gain (Loss)		Accumulation Depreciation	

Form 990-PF, Part I, Lines 6a

Net Gain or Loss from Sale of Assets**Asset Information:**

Description of Property	1,250 shs Vanguard Total Stock Market Fund		
Business Code	Exclusion Code		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/01/10	Name of Buyer	
Check Box, if Buyer is a Business	☐		
Sales Price	65,288.	Cost or other basis (do not reduce by depreciation)	69,826.
Sales Expense	Valuation Method		
Total Gain (Loss)	-4,538.	Accumulated Depreciation	
Description of Property	1,250 shs Vanguard Total Stock Market Fund		
Business Code	Exclusion Code		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/06/10	Name of Buyer	
Check Box, if Buyer is a Business	☐		
Sales Price	65,052.	Cost or other basis (do not reduce by depreciation)	69,826.
Sales Expense	Valuation Method		
Total Gain (Loss)	-4,774.	Accumulated Depreciation	
Description of Property	4,000 shs Vanguard Total Stock Market Fund		
Business Code	Exclusion Code		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/22/10	Name of Buyer	
Check Box, if Buyer is a Business	☐		
Sales Price	220,396.	Cost or other basis (do not reduce by depreciation)	219,856.
Sales Expense	Valuation Method		
Total Gain (Loss)	540.	Accumulated Depreciation	
Description of Property	8,400 shs Vanguard Total Stock Market Fund		
Business Code	Exclusion Code		
Date Acquired	Various	How Acquired	Purchased
Date Sold	07/26/10	Name of Buyer	
Check Box, if Buyer is a Business	☐		
Sales Price	468,695.	Cost or other basis (do not reduce by depreciation)	476,680.
Sales Expense	Valuation Method		
Total Gain (Loss)	-7,985.	Accumulated Depreciation	
Description of Property	1,000 shs Vanguard Total Stock Market Fund		
Business Code	Exclusion Code		
Date Acquired	Various	How Acquired	Purchased
Date Sold		Name of Buyer	
Check Box, if Buyer is a Business	☐		
Sales Price	54,442.	Cost or other basis (do not reduce by depreciation)	58,225.
Sales Expense	Valuation Method		
Total Gain (Loss)	-3,783.	Accumulated Depreciation	
Description of Property	5,000 shs Proshares Trust		
Business Code	Exclusion Code		
Date Acquired	Various	How Acquired	Purchased
Date Sold	09/14/10	Name of Buyer	
Check Box, if Buyer is a Business	☐		
Sales Price	253,151.	Cost or other basis (do not reduce by depreciation)	263,567.
Sales Expense	Valuation Method		
Total Gain (Loss)	-10,416.	Accumulated Depreciation	
Description of Property	1,500 Vanguard Total Bond Fund		
Business Code	Exclusion Code		
Date Acquired	Various	How Acquired	Purchased
Date Sold	10/04/10	Name of Buyer	
Check Box, if Buyer is a Business	☐		
Sales Price	123,804.	Cost or other basis (do not reduce by depreciation)	123,759.
Sales Expense	Valuation Method		
Total Gain (Loss)	45.	Accumulated Depreciation	

Form 990-PF, Part I, Lines 6a

Continued

Net Gain or Loss from Sale of Assets**Asset Information:**

Description of Property	<u>850 shs Vanguard Intermediate Term Bond Fund</u>		
Business Code	Exclusion Code _____		
Date Acquired	<u>Various</u>	How Acquired	<u>Purchased</u>
Date Sold	<u>10/14/10</u>	Name of Buyer	_____
Check Box, if Buyer is a Business	☐		
Sales Price	<u>74,156.</u>	Cost or other basis (do not reduce by depreciation)	<u>73,318.</u>
Sales Expense	Valuation Method _____		
Total Gain (Loss)	<u>838.</u>	Accumulated Depreciation	_____
Description of Property	<u>102.640 shs Fidelity Leveraged Stock Fund</u>		
Business Code	Exclusion Code _____		
Date Acquired	<u>Various</u>	How Acquired	<u>Purchased</u>
Date Sold	_____	Name of Buyer	_____
Check Box, if Buyer is a Business	☐		
Sales Price	<u>2,471.</u>	Cost or other basis (do not reduce by depreciation)	<u>2,905.</u>
Sales Expense	Valuation Method _____		
Total Gain (Loss)	<u>-434.</u>	Accumulated Depreciation	_____
Description of Property	<u>329.014 shs Fairholme Fund</u>		
Business Code	Exclusion Code _____		
Date Acquired	<u>Various</u>	How Acquired	<u>Purchased</u>
Date Sold	<u>07/01/10</u>	Name of Buyer	_____
Check Box, if Buyer is a Business	☐		
Sales Price	<u>9,916.</u>	Cost or other basis (do not reduce by depreciation)	<u>8,899.</u>
Sales Expense	Valuation Method _____		
Total Gain (Loss)	<u>1,017.</u>	Accumulated Depreciation	_____
Description of Property	<u>308.385 shs Janus Perkins Fund</u>		
Business Code	Exclusion Code _____		
Date Acquired	<u>Various</u>	How Acquired	<u>Purchased</u>
Date Sold	_____	Name of Buyer	_____
Check Box, if Buyer is a Business	☐		
Sales Price	<u>5,856.</u>	Cost or other basis (do not reduce by depreciation)	<u>5,413.</u>
Sales Expense	Valuation Method _____		
Total Gain (Loss)	<u>443.</u>	Accumulated Depreciation	_____
Description of Property	<u>866 shs Spdr Gold Fund</u>		
Business Code	Exclusion Code _____		
Date Acquired	<u>Various</u>	How Acquired	<u>Purchased</u>
Date Sold	_____	Name of Buyer	_____
Check Box, if Buyer is a Business	☐		
Sales Price	<u>101,106.</u>	Cost or other basis (do not reduce by depreciation)	<u>99,910.</u>
Sales Expense	Valuation Method _____		
Total Gain (Loss)	<u>1,196.</u>	Accumulated Depreciation	_____
Description of Property	<u>1,849 shs Vanguard Total Stock Market Fund</u>		
Business Code	Exclusion Code _____		
Date Acquired	<u>Various</u>	How Acquired	<u>Purchased</u>
Date Sold	<u>07/01/10</u>	Name of Buyer	_____
Check Box, if Buyer is a Business	☐		
Sales Price	<u>95,852.</u>	Cost or other basis (do not reduce by depreciation)	<u>101,235.</u>
Sales Expense	Valuation Method _____		
Total Gain (Loss)	<u>-5,383.</u>	Accumulated Depreciation	_____

Form 990-PF, Page 1, Part I

Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
McIntyre, Zeigler &	Income Tax Preparation	750.	750.		
Total		<u>750.</u>	<u>750.</u>		

Form 990-PF, Page 1, Part I

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Wells Fargo	Investment Advisor	2,161.	2,161.		
Total		<u>2,161.</u>	<u>2,161.</u>		

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
Fairholme Fund	370,130.	405,150.
Spdr Gold Trust	240,595.	280,214.
Vanguard Intermediate Bond Fund	99,645.	94,864.
Vanguard Dividend Appreciation Fund	145,466.	157,890.
Vanguard Intl Emerging Markets	155,957.	158,882.
Total	<u>1,011,793.</u>	<u>1,097,000.</u>

Form 990-PF, Page 11, Part XV, line 3a

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
<i>a Paid during the year</i> Palmetto Family Council Post Office Box 11953 Columbia SC 29211	None	Nonprofit	Support	Person or ☐ Business ☒ 5,000.
Teach My People Post Office Box 2848 Pawleys Island SC 29585	None	Nonprofit	Support	Person or ☐ Business ☒ 70,489.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a <i>Paid during the year</i>				
Tidelands Community Hospice 2591 North Fraser Street Georgetown SC 29440	None	Nonprofit	Support	Person or Business ☒ 5,000.
United World Mission 9401-B Southern Pine Blvd Charlotte NC 28273	None	Nonprofit	Support	Person or Business ☒ 300.
Friendship Place Post Office Box 282 Georgetown SC 29442	None	Nonprofit	Support	Person or Business ☒ 1,000.
Kids Alive International Post Office Box 2117 Valparasio IN 46384	None	Nonprofit	Support	Person or Business ☒ 2,400.
Litchfield Corridor Beautification 41 Maintenance Road Pawleys Island SC 29585	None	Nonprofit	Support	Person or Business ☒ 100.
Marine Toys for Tots Fdn 18251 Quantico Gateway Dr Triangle VA 22172	None	Nonprofit	Support	Person or Business ☒ 100.
SC Higher Education Foundation 1333 Main Street, Suite 200 Columbia SC 29201	None	Nonprofit	Support	Person or Business ☐ 150.

Total

84,539.

Supporting Statement of:

Form 990-PF, pl/Line 1(a)

Description	Amount
Contribution from Carl and Marica Falk	1,553.
Total	<u>1,553.</u>