25760T

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

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

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

Name of foundation
HORACE G. FRALIN CHARITABLE TRUST

Number and street (or P O box number if mail is not delivered to street address) — Room/suite
P.O. BOX 29600

City or town, state, and ZIP code
ROANOKE VA 24018

A Employer identification number
54-1509505

B Telephone number (see page 10 of the instructions)
540-776-7444

C If exemption application is pending, check here ▶ ☐

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

H Check type of organization ☐ Section 501(c)(3) exempt private foundation
☒ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 46,023,741

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

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

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	478,230	447,232	478,230	
	4	Dividends and interest from securities	334,404	334,183	334,404	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	1,556,103			
	b	Gross sales price for all assets on line 6a 4,495,634				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) Stmt 2	321,793	114,528	321,793	
	12	**Total.** Add lines 1 through 11	2,690,530	895,943	1,134,427	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	24,000			
	14	Other employee salaries and wages	12,000			
	15	Pension plans, employee benefits	918			
	16a	Legal fees (attach schedule) See Stmt 3	2,929			
	b	Accounting fees (attach schedule) Stmt 4	24,000			
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)				
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 5	1,366,857	111,301		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	1,430,704	111,301	0	0
	25	Contributions, gifts, grants paid	1,816,826			1,816,826
	26	**Total expenses and disbursements.** Add lines 24 and 25	3,247,530	111,301	0	1,816,826
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-557,000			
	b	**Net investment income** (if negative, enter -0-)		784,642		
	c	**Adjusted net income** (if negative, enter -0-)			1,134,427	

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

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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			
	2	Savings and temporary cash investments	5,106,858	902,049	902,049
	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 (att schedule) ▶ See Wrk 1,350,732			
		Less allowance for doubtful accounts ▶ 0	808,762	1,350,732	1,350,732
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule) Stmt 6	7,924,299	8,107,713	8,287,356
	b	Investments—corporate stock (attach schedule) See Stmt 7	2,158,978	408,978	469,847
	c	Investments—corporate bonds (attach schedule) See Stmt 8	224,925	224,925	239,936
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) See Statement 9	21,560,069	26,132,954	34,418,806
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶ See Statement 10)	256,601	355,015	355,015
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	38,040,492	37,482,366	46,023,741
Liabilities	17	Accounts payable and accrued expenses	2,306	1,180	
	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)	2,306	1,180	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	38,038,186	37,481,186	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	38,038,186	37,481,186	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	38,040,492	37,482,366	

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	38,038,186
2	Enter amount from Part I, line 27a	2	-557,000
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	37,481,186
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	37,481,186

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	N/A			
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	
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	1,986,942	33,666,820	0.059018
2008	1,987,789	39,915,684	0.049800
2007	1,835,277	48,178,478	0.038093
2006	1,846,561	51,471,772	0.035875
2005	1,876,955	44,293,684	0.042375

2	**Total** of line 1, column (d)	2	0.225161
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	0.045032
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	39,603,332
5	Multiply line 4 by line 3	5	1,783,417
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	7,846
7	Add lines 5 and 6	7	1,791,263
8	Enter qualifying distributions from Part XII, line 4	8	1,816,826

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter "N/A" on line 1 Date of ruling or determination letter **(attach copy of letter if necessary—see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b			1	7,846
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	7,846
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	7,846
6	Credits/Payments				
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	7,600		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	7,500		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	15,100
8	Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached			8	47
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	7,207
11	Enter the amount of line 10 to be **Credited to 2011 estimated tax** ▶ 0 **Refunded** ▶			11	7,207

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		X
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ VA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ THE TRUST Telephone no ▶ 540-776-7444
PO BOX 29600
Located at ▶ ROANOKE VA ZIP+4 ▶ 24018

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ [X]
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 31,219

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? [ ] Yes [X] No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? [ ] Yes [X] No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? [ ] Yes [X] No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? [ ] Yes [X] 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 [X] 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 [X] No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ [ ]			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? N/A	1c		
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 [X] No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 22 of the instructions) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? [X] 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		X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b		X

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

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

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

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

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

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

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

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

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

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

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X (No)

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (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
W HEYWOOD FRALIN P.O BOX 29600	ROANOKE VA 24018	CO-TRUSTEE 40.00	12,000	0	0
WILLIAM H. FRALIN P O. BOX 29600	ROANOKE VA 24018	CO-TRUSTEE 40.00	12,000	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 ▶ 0

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

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

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 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 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	

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	8,744,503
b	Average of monthly cash balances		1b	1,693,052
c	Fair market value of all other assets (see page 25 of the instructions)		1c	29,165,777
d	**Total** (add lines 1a, b, and c)		1d	39,603,332
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0		
2	Acquisition indebtedness applicable to line 1 assets		2	0
3	Subtract line 2 from line 1d		3	39,603,332
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)		4	0
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	39,603,332
6	**Minimum investment return.** Enter 5% of line 5		6	1,980,167

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	1,980,167
2a	Tax on investment income for 2010 from Part VI, line 5	2a 7,846		
b	Income tax for 2010 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	7,846
3	Distributable amount before adjustments Subtract line 2c from line 1		3	1,972,321
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	1,972,321
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	1,972,321

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	1,816,826
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,816,826
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	7,846
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,808,980

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				1,972,321
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			1,675,767	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f **Total** of lines 3a through e				
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 1,816,826				
a Applied to 2009, but not more than line 2a			1,675,767	
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				141,059
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				1,831,262
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)				
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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

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

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
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 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

W. HEYWOOD FRALIN 540-776-7444
PO BOX 29600 ROANOKE VA 24018

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHED SCHED				1,816,826
Total			▶ **3a**	1,816,826
b Approved for future payment N/A				
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 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					
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)					

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

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
N/A	

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

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

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

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

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

b If "Yes," complete the following schedule

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

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

Signature of officer or trustee: [signature] Trustee Date: 11/9/11 Title: Trustee

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
WILLIAM E SPENCER, JR	W E Spencer Jr	11/8/11	
Firm's name ▶ Spencer Hager & Mosdell, P.C.		PTIN	P01306135
Firm's address ▶ P.O. Box 1165 Roanoke, VA 24006-1165		Firm's EIN ▶	54-1467814
		Phone no	540-985-0308

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received	Whom Sold	Date Acquired
Date Sold	**Sale Price**	**Cost**	**Expense**	**Depreciation**	**Net Gain / Loss**
LONG TERM OTHER K-1 PASSTHROUGH			Purchase		Various
Various	$ 967,837	$	$	$	$ 967,837
SECTION 1250 K-1 PASSTHROUGH			Purchase		Various
Various	254,322				254,322
SECTION 1231 PASS THROUGH			Purchase		Various
Various	90,311				90,311
FINAL K-1'S PASS-THROUGH			Purchase		Various
Various	-54,058				-54,058
SHORT TERM OTHER K-1 PASSTHROUGH			Purchase		Various
Various	224,549				224,549
MOORINGS GROUP (See attached)			Purchase		Various
Various	1,750,657	1,670,509			80,148
PLEDGED ASSET ACCOUNT (See attached)			Purchase		Various
Various	150,000	150,015			-15
MOORINGS GROUP #0846 (See attached)			Purchase		Various
Various	1,090,000	1,119,007			-29,007
Short-term Gain/Loss from Pass-through Entity					
	-8,659				-8,659
Long-term Gain/Loss from Pass-through Entity					
	30,675				30,675
Total	$ 4,495,634	$ 2,939,531	$ 0	$ 0	$ 1,556,103

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Other Investment Income	$ 114,528	$ 114,528	$ 114,528
MISCELLANEOUS	21,072		21,072
OTHER P/S INCOME	116,683		116,683
OTHER SFM LP'S LOSS	17,738		17,738
UNRELATED BUS. INC. ON 990	51,772		51,772
Total	$ 321,793	$ 114,528	$ 321,793

Horace G Fralin Charitable Trust
54-1509505

MOORINGS GROUP STOCK SALES

	Date Acquired	Date of Sale	Proceeds	Cost Basis	Realized Gain or Loss
125000 Kent Cnty Mich	4/30/2008	3/1/2010	125,000 00	125,246 25	(246 25)
105000 Virginia St Hsg	11/6/2006	4/1/2010	105,000 00	102,299 40	2,700.60
250000 Miami Dade	4/18/2007	4/9/2010	260,110 00	250,012 50	10,097 50
225000 Virginia Beach	10/16/2006	5/17/2010	242,422 50	229,977 59	12,444 91
250000 Danville	4/30/2009	5/19/2010	268,685 00	250,007 50	18,677 50
220000 Virginia St Hsg	11/6/2006	6/7/2010	224,627 00	214,640 30	9,986 70
250000 Montgomery Cty	11/22/2006	6/22/2010	274,812 50	249,500 00	25,312 50
250000 Medical Univ	12/19/2007	8/15/2010	250,000 00	248,825 00	1,175 00
			$ 1,750,657 00	$ 1,670,508 54	$ 80,148 46

Horace G Fralin Charitable Trust
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PLEDGED ASSET ACCOUNT STOCK SALES

	Date Acquired	Date of Sale	Proceeds	Cost Basis	Realized Gain or Loss
150000 South Euclid Ohio	1/22/2009	1/25/2010	$ 150,000 00	$ 150,015 00	(15 00)
					-
			$ 150,000 00	$ 150,015 00	$ (15 00)

Horace G Fralin Charitable Trust
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MOORINGS GROUP #0846 STOCK SALES

	Date Acquired	Date of Sale	Proceeds	Cost Basis	Realized Gain or Loss
250000 Burke Cnty	7/20/2009	4/1/2010	250,000 00	254,424 50	(4,424 50)
590000 Fairfax Cnty	7/9/2009	5/15/2010	590,000 00	610,865 60	(20,865 60)
250000 Waterbury Conn	8/14/2009	9/1/2010	250,000 00	253,717 50	(3,717 50)
					-
			$ 1,090,000 00	$ 1,119,007 60	$ (29,007 60)

Federal Statements

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Legal Fees	$ 2,929	$	$	$
Total	$ 2,929	$ 0	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 24,000	$	$	$
Total	$ 24,000	$ 0	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
BANK CHARGES	75	75		
FIDUCIARY FEES	104,867	104,867		
INVESTMENT DEDUCTIONS	613,724			
ROYALTY DEDUCTIONS	129,753			
DEPLETION	98,186			
MISCELLANEOUS	6,359	6,359		
NONDEDUCTIBLE	395,728			
FOREIGN TAXES	18,165			
Total	$ 1,366,857	$ 111,301	$ 0	$ 0

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See attached	$ 7,924,299	$ 8,107,713	Cost	$ 8,287,356
Total	$ 7,924,299	$ 8,107,713		$ 8,287,356

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See attached	$ 2,158,978	$ 408,978	Cost	$ 469,847
Total	$ 2,158,978	$ 408,978		$ 469,847

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See attached	$ 224,925	$ 224,925	Cost	$ 239,936
Total	$ 224,925	$ 224,925		$ 239,936

Statement 9 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
See attached	$ 21,560,069	$ 26,132,954	Cost	$ 34,418,806
Total	$ 21,560,069	$ 26,132,954		$ 34,418,806

Statement 10 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
INCOME/EXCISE TAXES RECEIVABLE	$ 256,601	$ 355,015	$ 355,015
Total	$ 256,601	$ 355,015	$ 355,015

THE HORACE G FRALIN CHARITABLE TRUST
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FORM 990-PF, PAGE 2, PART II, LINE 7 -
NOTES RECEIVABLE

BEAUFONT OAKS II L P	$	39,100
CREEKWOOD VILLAGE		38,722
F&W OFFICE PARK III (1) & (2)		269,496
FALCON POINTE L.P		257,482
LAUREL PINES L.P		143,813
PULASKI RETIREMENT CENTER		36,032
FALCON POINTE		14,980
ART MUSEUM		551,107
	$	1,350,732

HORACE G FRALIN CHARITABLE TRUST
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FORM 990-PF, PAGE 2, PART II, LINE 10a -
INVESTMENTS - U S & STATE GOVT OB

	Book Value	Market Value
460,000 FED FARM CR 4.75% DUE 9/30/15	$ 487,730	$ 512,182
250,000 BARTOW-CARTERSVILLE 5.914% DUE 11/1/26	259,065	246,193
250,000 CHARLOTTESVILLE 3.79% DUE 2/15/18	250,015	251,435
250,000 DANVILLE, VA 4.55% DUE 3/1/15	250,007	269,782
300,000 DOWNTOWN SAVANNAH 4 25% DUE 8/1/17	305,025	315,879
175,000 EDEN PRAIRIE, MN 5 5% DUE 2/1/16	179,110	195,069
250,000 FORT WAYNE, IN 5 125% DUE 2/1/14	251,625	268,753
500,000 INDIANA BD BK 5 68% DUE 7/15/14	515,255	556,720
250,000 ISLE OF WIGHT VA, 5% DUE 3/1/21	249,390	259,670
100,000 JOHNSON CNTY KS, 4.6% DUE 9/1/20	99,765	103,146
255,000 LAKE & MCHENRY, 5.25% DUE 1/1/18	255,015	255,000
100,000 LEESBURG, VA 4 57% DUE 2/1/18	100,015	102,824
250,000 MCHENRY CNTY IL,3.64% DUE 2/1/16	250,015	250,177
250,000 MIAMI-DADE COUNTY 5 46% DUE 4/1/15	250,012	262,923
250,000 MUNICIPAL ELEC 5.07% DUE 1/1/19	245,355	249,502
250,000 NEBRASKA PUB PWR 5.14% DUE 1/1/14	250,015	270,318

HORACE G FRALIN CHARITABLE TRUST
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FORM 990-PF, PAGE 2, PART II, LINE 10a -
INVESTMENTS - U S & STATE GOVT OB

	Book Value	Market Value
250,000 RICHLAND CNTY, 4.4% DUE 5/1/19	253,700	256,657
250,000 STAFFORD CNTY, 3 168% DUE 2/15/15	250,015	251,323
220,000 SUFFOLK, VA 4.36% DUE 2/1/17	220,015	226,063
250,000 VIRGINIA BEACH, VA 5.75% DUE 8/1/12	255,531	267,233
150,000 VIRGINIA ST HSG, 3.05% DUE 6/1/20	149,147	140,367
475,000 DORCHESTER CNTY 1.55% DUE 5/1/11	475,015	476,515
500,000 JAMES CITY CNTY, VA VAR 2036 DUE 12/1/36	500,015	500,000
300,000 MCHENRY CNTY IL, 1.79% DUE 2/1/12	300,015	300,384
200,000 MISSISSIPPI BUS VAR 2039 DUE 12/1/39	200,015	200,000
150,000 NORFOLK VA 0 98% DUE 4/1/11	150,224	149,973
225,000 VIRGINIA BEACH 5.75% DUE 8/1/12	242,565	240,509
200,000 VIRGINIA ST PUB BLD, 5% DUE 8/1/13	223,721	220,032
175,000 VIRGINIA ST RES, 5.25% DUE 10/1/12	190,294	188,727
500,000 WHEATON COLLEGE VAR 2035 DUE 10/1/35	500,027	500,000
	$ 8,107,713	$ 8,287,356

THE HORACE G FRALIN CHARITABLE TRUST
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FORM 990-PF, PAGE 2, PART II, LINE 10b -
INVESTMENTS - CORPORATE STOCK

	Book Value	Market Value
14,940 KAYNE ANDERSON MLP INVT	$ 408,978	469,847
	$ 408,978	$ 469,847

THE HORACE G FRALIN CHARITABLE TRUST
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FORM 990-PF, PAGE 2, PART II, LINE 10c -
INVESTMENTS - CORPORATE BONDS

	Book Value	Market Value
100,000 STANFORD UNIV 3.625% DUE 5/1/14	$ 99,910	$ 105,847
125,000 UNIV NOTRE DAME 4 141% DUE 9/1/13	125,015	133,549
	$ 224,925	$ 239,936

THE HORACE G. FRALIN CHARITABLE TRUST
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FORM 990-PF, PAGE 2, PART II, LINE 13 -
OTHER INVESTMENTS

		Book Value		Market Value
Fralin and Waldron Office Park Limited Partnership	$	246,756	$	782,942
F&W Office Park II Limited Partnership		13,036		70,256
Fralin & Waldron Commercial Rental II Limited Partnership		239,500		567,554
MFW Associates, L.L.C		2,156		9,417
MFW Associates Limited Partnership		14,472		43,207
Central Investors Limited Partnership		4,826		23,060
F&W Development, L.L.C		4,895		0
Clearview Manor Limited Partnership		25,444		57,958
Creekwood Village Limited Partnership		(20,187)		4,236
Falcon Pointe		(394,867)		0
Ferncliffe South Apartments		2,211		0
Laurel Pines Apartments		(122,501)		75,593
London Oaks Limited Partnership		527		0
Newman Village Apartments		(5,246)		0
Peppertree Apartments		(8,358)		431,846
Peppertree II Limited Partnership		(35,884)		367,990
Shawnee Apartments		2,452		131,560
Shawnee II Apartments		286		128,437
Southview Village Apartments		55,041		121,424
Spruce Village Limited Partnership		17,286		44,920
Timberlyne Village Limited Partnership		(2,047)		4,630
Twin Canal Village Limited Partnership		(6,068)		0
Willow Woods Limited Partnership		(2,309)		7,033
F&W Management Corporation		347,544		49,611
Region Properties, Inc		45,476		305,160
Falcun Corporation		5,635		16,950
Medical Facilities of America LXVIII (68) Limited Partnership		0		7,704
Drapers Meadow West, L.L.C		12,532		31,464
Beaufont Oaks Limited Partnership		(67,710)		195,212
Beaufont Oaks II Limited Partnership		(3,503)		18,026
F&W Office Park III, L.C		137,483		446,100
FW Properties, L L.C.		92,058		209,028
FW Properties II, L L C		212,337		345,838
FW Properties VI, L.L.C.		32,890		76,288
FW Properties VII, L L C.		144,546		457,725

THE HORACE G. FRALIN CHARITABLE TRUST
54-1509505
12/31/2010

FORM 990-PF, PAGE 2, PART II, LINE 13 -
OTHER INVESTMENTS

		Book Value	Market Value
Horace Fralin, L.L.C	$	15,508	24,005
Ferncliff Apartments Limited Partnership		36,209	197,855
MAP 2004		653,127	750,000
MAP 2006		486,581	800,000
MAP 2009		224,366	237,500
Wellington		793,293	898,378
SFM Global Strategies, LP		13,449,850	14,097,245
SFM Capital Markets, LP		7,906,459	10,544,570
SFM PE, LP		1,495,640	1,751,149
SFM Opportunities III, LP		81,212	86,935
Total	$	26,132,954	$ 34,418,806

HORACE G. FRALIN CHARITABLE TRUST
54-1509505
12/31/2010

FORM 990-PF, PAGE 11, PART XV, LINE 3 -
GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Name and Address	Purpose	Amount
Art Museum of Western Virginia Roanoke, Virginia	Various	$ 1,810,781
VWCC Educational Foundation Roanoke, Virginia	Educational Support	6,000
From K-1's	Various	45
TOTAL		$ 1,816,826

25760T

Form **8868** (Rev January 2011)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit www irs gov/efile and click on e-file for Charities & Nonprofits

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension-check this box and complete Part I only ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Type or print
File by the due date for filing your return See instructions

Name of exempt organization: HORACE G. FRALIN CHARITABLE TRUST

Employer identification number: 54-1509505

Number, street, and room or suite no If a P O box, see instructions: P.O. BOX 29600

City, town or post office, state, and ZIP code For a foreign address, see instructions: ROANOKE VA 24018

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ THE TRUST
PO BOX 29600
ROANOKE VA 24018
Telephone No ▶ 540-776-7444 FAX No ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ▶ [ ] If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15/11 , to file the exempt organization return for the organization named above The extension is for the organization's return for
▶ [X] calendar year 2010 or
▶ [ ] tax year beginning , and ending

2 If this tax year entered in line 1 is for less than 12 months, check reason [ ] Initial return [ ] Final return
[ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 15,100
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 7,600
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 7,500

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

For Paperwork Reduction Act Notice, see Instructions.
DAA

25760T

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- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed)

Type or print File by the extended due date for filing your return See instructions	Name of exempt organization HORACE G. FRALIN CHARITABLE TRUST	Employer identification number 54-1509505
	Number, street, and room or suite no If a P O box, see instructions P.O. BOX 29600	
	City, town or post office, state, and ZIP code For a foreign address, see instructions ROANOKE VA 24018	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ THE TRUST
PO BOX 29600
ROANOKE VA 24018

Telephone No ▶ 540-776-7444 FAX No ▶

- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ▶ [ ] If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/15/11

5 For calendar year 2010 , or other tax year beginning , and ending

6 If the tax year entered in line 5 is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION. ONE K-1 WITH HISTORICALLY SIGNIFICANT ACTIVITY HAS NOT YET BEEN RECEIVED.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	$ 15,100
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$ 15,100
c	**Balance Due.** Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	$ 0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ W. H. Fralin Title ▶ Co-Trustee Date ▶ 8/8/11

Form 8868 (Rev 1-2011)

DAA