Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

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

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

Name of foundation: The Harold H. Bate Foundation, Inc.

Number and street (or P O box number if mail is not delivered to street address): PO Box 14298 | Room/suite:

City or town, state, and ZIP code: New Bern NC 28561

A Employer identification number: 56-2121302

B Telephone number (see page 10 of the instructions): 252-638-1998

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) ▶ $ 33,820,555

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	490	490		
	4	Dividends and interest from securities	563,374	563,374		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	888,206			
	b	Gross sales price for all assets on line 6a 3,897,693				
	7	Capital gain net income (from Part IV, line 2)		888,206		
	8	Net short-term capital gain			0	
	9	Income modifications See Stmt 1			81,439	
	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	82,894	1,455		
	12	**Total.** Add lines 1 through 11	1,534,964	1,453,525	81,439	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.	96,000			91,800
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits	11,913			11,913
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) Stmt 3	8,600			4,300
	c	Other professional fees (attach schedule) Stmt 4	98,180	98,180		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) Stmt 5	29,087	15,690		
	19	Depreciation (attach schedule) and depletion Stmt 6	2,303			
	20	Occupancy	18,110			18,110
	21	Travel, conferences, and meetings	2,400			1,200
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 7	17,225			17,225
	24	**Total operating and administrative expenses.** Add lines 13 through 23	283,818	113,870	0	144,548
	25	Contributions, gifts, grants paid	1,337,342			1,418,781
	26	**Total expenses and disbursements.** Add lines 24 and 25	1,621,160	113,870	0	1,563,329
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-86,196			
	b	**Net investment income** (if negative, enter -0-)		1,339,655		
	c	**Adjusted net income** (if negative, enter -0-)			81,439	

RECEIVED NOV 2 2011 OGDEN, UT

SCANNED NOV 3 0 2011

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

Form **990-PF** (2010)

DAA

915

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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing	299,442	49,485	49,485
	2	Savings and temporary cash investments	184,899	232,830	232,930
	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) ▶			
		Less. allowance for doubtful accounts ▶ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	20,941	47,544	47,544
	10a	Investments—U.S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule) See Stmt 8	30,885,702	30,975,971	33,475,452
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 35,074			
		Less accumulated depreciation (attach sch) ▶ Stmt 9 21,597	14,519	13,477	13,477
	15	Other assets (describe ▶ See Statement 10)	1,667	1,667	1,667
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	31,407,170	31,320,974	33,820,555
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ See Statement 11)	986	986	
	23	Total liabilities (add lines 17 through 22)	986	986	
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			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	31,406,184	31,319,988	
	30	Total net assets or fund balances (see page 17 of the instructions)	31,406,184	31,319,988	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	31,407,170	31,320,974	

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	31,406,184
2	Enter amount from Part I, line 27a	2	-86,196
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	31,319,988
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	31,319,988

DAA

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See Worksheet			
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	888,206
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	114,255

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	1,772,600	27,760,588	0.063853
2008	1,894,594	34,073,732	0.055603
2007	1,883,947	36,474,743	0.051651
2006	1,607,092	35,677,390	0.045045
2005	1,349,526	33,030,405	0.040857

2 **Total** of line 1, column (d)	2	0.257009
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	0.051402
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	30,120,170
5 Multiply line 4 by line 3	5	1,548,237
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	13,397
7 Add lines 5 and 6	7	1,561,634
8 Enter qualifying distributions from Part XII, line 4	8	1,563,329

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.

DAA

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 ▶ ☒ and enter 1% of Part I, line 27b			1	13,397
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	13,397
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	13,397
6	Credits/Payments:				
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	60,941		
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	60,941
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	47,544
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 47,544 **Refunded** ▶			11	

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see 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? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ NC			
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

DAA

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 ▶ www.batefoundation.org

14 The books are in care of ▶ William O. Austin, CPA Telephone no. ▶ 252-633-5821
3105 Trent Rd
Located at ▶ New Bern NC ZIP+4 ▶ 28562

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

			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 ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? **(Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	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 ☒ 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?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2010 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?		4b		X

DAA

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

			Yes	No
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
	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
See Statement 12				

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

DAA

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
CapTrust Financial Advisors Raleigh 4208 Six Forks Road, Suite 1700 NC 27609	Investment Mana	73,599

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

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments (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	30,468,407
b	Average of monthly cash balances	1b	110,446
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	30,578,853
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	30,578,853
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	458,683
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	30,120,170
6	**Minimum investment return.** Enter 5% of line 5	6	1,506,009

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	1,506,009
2a	Tax on investment income for 2010 from Part VI, line 5 — 2a: 13,397		
b	Income tax for 2010. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	13,397
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,492,612
4	Recoveries of amounts treated as qualifying distributions	4	81,439
5	Add lines 3 and 4	5	1,574,051
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	1,574,051

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	1,563,329
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	1,563,329
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	13,397
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,549,932

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				1,574,051
2	Undistributed income, if any, as of the end of 2010:				
a	Enter amount for 2009 only			910,083	
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: ▶ $ 1,563,329				
a	Applied to 2009, but not more than line 2a			910,083	
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				653,246
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				920,805
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 (a) 2010	Prior 3 years (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:

The Harold H. Bate Foundation 252-638-1998
PO Box 14298 New Bern NC 28561

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

See Statement 13

c Any submission deadlines:

May 15 and October 1 of each year

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

See Statement 14

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 Statement 15				1,337,342
Total			▶ 3a	1,337,342
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					490
4 Dividends and interest from securities					563,374
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					1,455
8 Gain or (loss) from sales of assets other than inventory					888,206
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue. a					
b Repayment of Qualified Dist.					81,439
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		0	1,534,964

13 **Total.** Add line 12, columns (b), (d), and (e) 13 1,534,964

(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] Date: 11/15/11 Title: PRESIDENT

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
William O. Austin	[signature]	11/15/11	

Firm's name ▶ Pittard Perry & Crone, Inc. PTIN P00620584

Firm's address ▶ P. O. Box 1547 New Bern, NC 28563-1547 Firm's EIN ▶ 56-1081567

Phone no 252-633-5821

DAA

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172
2010
Attachment Sequence No **67**

Name(s) shown on return: The Harold H. Bate Foundation, Inc.

Identifying number: 56-2121302

Business or activity to which this form relates: Indirect Depreciation

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

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011 Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	2,303

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

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

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

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

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

Part IV Summary (See instructions.)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	2,303
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

DAA

There are no amounts for Page 2

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2010

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

Name	Employer Identification Number
The Harold H. Bate Foundation, Inc.	56-2121302

	(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)
(1)	Bershire Hathaway Inc	P	11/09/04	03/18/10
(2)	Loomis Sayles Invt	P	09/21/07	01/07/10
(3)	Mainstay Large Cap	P	06/25/09	06/10/10
(4)	Pioneer Cullen Value Fund	P	12/23/09	10/19/10
(5)	Pioneer Cullen Value Fund	P	02/19/09	10/18/10
(6)	See attached Schedule 1 page 2	P	Various	Various
(7)	See attached schedule 1 page 6	P	Various	Various
(8)	See attached schedule 2	P	Various	Various
(9)	See attached schedule 2	P	Various	Various
(10)	See attached schedule 3 page 1	P	Various	Various
(11)	See attached schedule 3 page 3	P	Various	Various
(12)	See attached schedule 4	P	Various	Various
(13)	See attached schedule 4	P	Various	Various
(14)	Keen Phoenix	P	Various	Various
(15)	Keen Phoenix	P	Various	Various

	(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)
(1)	350,264		241,510	108,754
(2)	200,000		215,453	-15,453
(3)	99,999		85,497	14,502
(4)	22,096		21,179	917
(5)	1,586,732		1,241,000	345,732
(6)	95,857		75,372	20,485
(7)	538,381		565,867	-27,486
(8)	109,471		85,228	24,243
(9)	220,535		219,500	1,035
(10)	22,795		16,004	6,791
(11)	223,168		130,519	92,649
(12)	4,695		4,736	-41
(13)	125,726		107,622	18,104
(14)	228,019			228,019
(15)	26,132			26,132

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))
(1)				108,754
(2)				-15,453
(3)				14,502
(4)				917
(5)				345,732
(6)				20,485
(7)				-27,486
(8)				24,243
(9)				1,035
(10)				6,791
(11)				92,649
(12)				-41
(13)				18,104
(14)				228,019
(15)				26,132

Capital Gains and Losses for Tax on Investment Income

Form **990-PF** | 2010

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

Name	Employer Identification Number
The Harold H. Bate Foundation, Inc.	56-2121302

	(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)
(1)	National Grid - rights	P	Various	Various
(2)	Pimco Total Return			
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

	(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)
(1)	3,122			3,122
(2)	40,701			40,701
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

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))
(1)				3,122
(2)				40,701
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

Statement 1 - Form 990-PF, Part I, Line 9 - Income Modifications

Description		Amount
Repayment of Qualified Distribution	$	81,439
Total	$	81,439

Federal Statements

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Other Investment Income	$ 28	$ 28	$
Miscellaneous Income	1,427	1,427	
Repayment of Qualified Dist.	81,439		
Total	$ 82,894	$ 1,455	$ 0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Legal & Accounting	$ 8,600	$	$	$ 4,300
Total	$ 8,600	$ 0	$ 0	$ 4,300

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Investment Management Fees	$ 98,180	$ 98,180	$	$
Total	$ 98,180	$ 98,180	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Foreign Taxes	$ 15,690	$ 15,690	$	$
Federal Excise Tax	13,397			
Total	$ 29,087	$ 15,690	$ 0	$ 0

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation

Description / Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
Copier							
1/01/01	$ 6,466	$ 6,466	200DB	5	$	$	$
Grant Adm Software							
1/07/02	6,463	6,463		3			
Computer							
12/31/04	1,721	1,721	S/L	5			
Office Furniture - Branch's							
8/14/06	4,599	2,245	S/L	7	657		
Dell Computer							
10/04/07	2,236	1,006	S/L	5	447		
Printer							
3/05/07	696	394	S/L	5	139		
Lateral File							
3/17/07	587	231	S/L	7	84		
Oil Painting							
4/16/07	5,000			0			
Desk							
10/01/07	1,046	336	S/L	7	150		
Office Chair							
8/01/08	192	39	S/L	7	27		
Office Furniture							
7/13/09	3,032	217	S/L	7	433		
Equipment							
8/19/09	1,000	48	S/L	7	142		
Sign							
3/02/09	776	129	S/L	5	155		
Art Work							
5/18/10	974		S/L	10	57		
Printer							
8/02/10	288		S/L	10	12		
Total	$ 35,076	$ 19,295			$ 2,303	$ 0	$ 0

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
Banking Charges	9			9
Dues & Subscriptions	1,147			1,147
Insurance	2,686			2,686
Public Relations	5,380			5,380
Contract Labor	650			650
Utilities	3,875			3,875
Office Exp	3,140			3,140
Board Meetings	338			338
Total	$ 17,225	$ 0	$ 0	$ 17,225

Federal Statements

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Pioneer Cullen Value Fun	$ 1,262,179	$	Cost	$
BAE-System Place	54,104		Cost	
Agrium Inc	38,155		Cost	
BP PLC Spons	57,026		Cost	
Credit Agricole SA -UNSP	35,030		Cost	
Centrica PLC	49,046		Cost	
Heineken N V ADR	46,690		Cost	
HSBC Holdings PLC	31,697		Cost	
Cenovus Energy	26,603		Cost	
Man SE-Unsponsored ADG Ma	29,795		Cost	
NITTO Denko Corp	43,800		Cost	
Ericsson (LM) Tel-SP	48,903		Cost	
Novartis AG	28,888		Cost	
Societe Generale France	54,951		Cost	
Fibria Celulose S A	3,061		Cost	
BAE Systems Place	27,539		Cost	
Cadbury Schweppes ADR	33,916		Cost	
Danone Sponsored ADR	4,246		Cost	
Precision Drilling Trust	10,360		Cost	
RWE Aktiengesellschaft	11,234		Cost	
Teck Cominco LTD	25,209		Cost	
Trican Well Service	1,882		Cost	
27,330.00 Berkshire Hathaway B	1,794,426	1,552,916	Cost	2,189,406
16,390.00 SPDR TR UNIT SER 1	1,937,103	1,937,103	Cost	2,061,043
46,428.571 The Yacktman Focused Fun		806,000	Cost	820,857
15,665.000 SPDR SER TR S&P DIV		806,748	Cost	814,267
269,680.832 Mainstay LRG CAP	1,418,100	1,332,603	Cost	1,830,398
33,881.746 Alger Small Cap	1,024,000	1,024,000	Cost	943,268
20,793.761 MSIF Trust Mid-Cap Growt	565,385	567,441	Cost	778,707
856.000 Astrazenenca PLC	29,190	29,190	Cost	39,539
1,924.00 AU Optronics Corp	28,151	28,151	Cost	20,048
4,917.00 Banco Santander Cent	38,136	38,136	Cost	52,366
2,183.00 China Unicom LTD ADR	21,646	25,107	Cost	31,108
1,022.00 BHP Billiton Ltd	51,595	51,595	Cost	94,964
2,022.00 Australia & New Zealand Ban	37,001	28,000	Cost	48,397
923.00 Canon Inc ADR	55,201	35,673	Cost	47,387
2,933.00 Cheung Kong Hldings	28,512	28,812	Cost	45,239
300.00 America Movil SAB	11,447	11,447	Cost	17,202
3,689.000 Esprit Holdings LTD ADR	46,254	46,254	Cost	35,116

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
560.00 China Construction Bank	$ 16,905	$ 16,905	Cost	$ 25,105
2,940.00 East Japan Railway	26,864	26,864	Cost	31,964
1,098.00 Encana Corp	28,831	28,831	Cost	31,974
1,258.00 Eni S PA	59,812	65,953	Cost	55,025
2,462.00 Fuji Film Holding Corp	65,405	82,285	Cost	89,124
1,375.00 GlaxoSmithKline	65,143	65,143	Cost	53,928
1,403.00 Imperial Tob Group	69,182	72,141	Cost	86,458
911.00 Hutchison Whampoa	44,408	38,269	Cost	40,239
901.00 Gazprom O A O	43,106	43,106	Cost	22,525
857.00 International Power PLC	14,591	41,334	Cost	58,716
3,000.00 Murata Manufacturing - ADR		43,624	Cost	52,617
1,030.000 Macquarie Group LTD		47,615	Cost	39,075
7,182.00 Nippon Yusen Kabushiki	34,673	47,524	Cost	63,755
1,179.00 Mitsubishi Corp	19,483	46,317	Cost	63,903
12,565.00 Mitsubishi UFJ Financial	116,009	104,591	Cost	67,977
1,568.00 Nippon Telegraph & Telephon	35,526	35,526	Cost	35,970
3,462.00 Nokia Corp	58,654	58,654	Cost	35,728
734.00 National Grid PLC	76,813	44,418	Cost	32,575
703.00 Petroleo Brasileiro	21,205	29,815	Cost	26,602
241.00 Posco Sponsored	32,060	24,729	Cost	25,953
1,255.00 Repsol YPF	39,454	39,454	Cost	35,065
5,170.00 Salzgitter AG- Unspon ADR	17,183	44,757	Cost	39,478
1,397.00 Royal Dutch Shell	76,315	64,324	Cost	74,937
2,219.00 Sanofi-Aventis ADR	75,883	88,683	Cost	71,518
10,219.00 Porsche Automobile	42,150	56,037	Cost	70,378
1,088.00 Statoil ASA STO	28,503	28,503	Cost	25,862
3,310.00 Nissan MTR LTD	59,371	59,371	Cost	63,095
1,889.00 Takeda Pharmaceutical Co.	54,819	35,416	Cost	30,023
730.00 Seven & I Holdings	21,160	32,516	Cost	38,960
1,364.00 TNT NV	68,051	40,463	Cost	36,139
1,563.00 Munich Re Group Adr	21,491	21,491	Cost	23,776
1,036.00 Total SA	61,319	61,319	Cost	55,405
1,673.00 Iberdrola SA-Sposored ADR	28,474	59,381	Cost	51,783
1,369.000 Banco Santander Brasil	18,872	18,872	Cost	52,366
3,051.00 Holcim LTD	25,075	25,075	Cost	46,250
1,720.00 Vodafone Group	68,897	29,425	Cost	29,628
3,741.00 Zurich Financial	64,964	58,816	Cost	79,875
1,596.00 Unilever N V	40,914	40,914	Cost	50,114
1,937.00 NTT Docomo Inc ADR	37,137	27,488	Cost	33,743

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
3,090.00 Telstra Corporation LTD	$ 28,810	$ 45,369	Cost	$ 44,187
2,131.00 Swisscom Sponsored ADR	69,563	69,563	Cost	93,988
480.00 Toronto Dominion Bk	27,677	25,629	Cost	35,669
11,237.00 National Bank of Greece	15,455	51,397	Cost	18,878
2,719.00 Sumitomo Chemical Co		67,255	Cost	67,048
1,701.00 Nexen Inc		44,344	Cost	38,953
1,196.00 BNP Paribas ADR		34,239	Cost	38,194
630.00 Telefonica S A ADR		37,491	Cost	43,105
2,370.00 Barclays PLC ADRS		38,266	Cost	39,152
6,560.00 Henderson Land Development		43,715	Cost	44,726
537.000 Desarrolladora Homex S A		18,723	Cost	18,156
Toyota Motor Co		42,938	Cost	43,089
NITTO Denko Corp		29,808	Cost	31,598
579.00 Shin Etsu Chem Co Ltd		28,957	Cost	31,411
1,110.000 Yara Intl Asa		58,431	Cost	64,451
878.00 Danske Bank A/S		28,142	Cost	28,653
64,679.216 Thornburg International	2,187,118	2,205,361	Cost	1,852,413
56,342.865 Columbia Funds TR	819,406	828,980	Cost	758,375
252,562.719 PIMCO Total Return	2,494,129	2,704,305	Cost	2,740,306
975.00 AXA-ADR	18,120	22,312	Cost	16,284
600.00 BASF-AG Sponsored ADR	19,137	19,137	Cost	48,304
1,100.00 BHP Billiton LTD	31,804	23,364	Cost	102,212
665.00 British Amern Tob PLC	36,440	36,440	Cost	51,671
780.00 Brookfield Asset Mngmt	12,486	12,486	Cost	25,966
695.00 Canadian Natl RY	32,564	29,065	Cost	46,197
1,555.00 Canadian Natural Resources	8,932	43,737	Cost	69,073
1,024.00 Canadian Pacific Railway	39,240	58,011	Cost	66,365
2,125.00 Vale S ADR	18,479	17,864	Cost	73,461
975.00 Cooper Industries LTD	40,063	35,828	Cost	56,833
340.00 Core Laboratories Inc	4,124	4,124	Cost	30,280
625.00 Ensign Energy Service	5,809	5,809	Cost	9,456
620.00 Diageo PLC	50,999	50,999	Cost	46,085
1,005.00 Ingersoll Rand Co CL	45,396	33,987	Cost	47,325
880.00 Manulife Finl Corp	19,364	21,260	Cost	15,118
3,300.00 Nabors Industries LTD	83,893	68,737	Cost	77,418
1,270.00 Nestles A Reg Adr	40,895	49,316	Cost	74,597
2,705.00 Noble Corp Baar Namen	60,861	63,034	Cost	96,758
670.00 Novartis AG	42,461	36,240	Cost	39,497
265.00 Partnerre LTD	15,436	15,436	Cost	21,293

Federal Statements

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
700.00 Potash Corp	$ 22,079	$ 21,497	Cost	$ 108,381
1,480.00 RIO TINTO PLC	54,103	45,429	Cost	106,057
1,250.00 Schlumberger LTD	47,215	43,317	Cost	104,375
2,140.00 Suncor Energy Inc	52,205	52,205	Cost	81,941
1,140.00 Talisman Energy Inc	9,915	9,915	Cost	25,297
1,600.00 Tenaris S A	27,361	23,807	Cost	78,368
1,360.00 Transocean Inc	69,924	64,749	Cost	94,500
2,230.00 UBS AG-REG	50,233	56,920	Cost	36,728
5,320.00 Weatherford Intl LTD	59,761	79,690	Cost	121,296
105.00 Yara International Asa	1,136	1,136	Cost	6,097
1,250.00 Unilever N V Adr	55,189	46,083	Cost	39,250
145.00 Finning International Inc		3,847	Cost	3,936
221,776.784 Loomis Sayles Invt Bond	3,146,092	3,109,211	Cost	3,164,755
Hatteras Investment Partners	4,488,206	4,488,206	Cost	4,866,731
Keen Phoenix Fund	844,459	734,735	Cost	945,225
Grosvenor Capital Management	5,000,000	5,000,000	Cost	4,929,050
Total	$ 30,885,702	$ 30,975,971		$ 33,475,452

Statement 9 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
Computer equipment	$ 1,531	$ 4,652	$ 3,707	$ 945
Furniture & equipment	12,988	17,493	4,961	12,532
Copier		6,466	6,466	
Grant administration equip.		6,463	6,463	
Total	$ 14,519	$ 35,074	$ 21,597	$ 13,477

Federal Statements

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

Description	Beginning of Year	End of Year	Fair Market Value
Security Deposits	$ 1,667	$ 1,667	$ 1,667
Total	$ 1,667	$ 1,667	$ 1,667

Statement 11 - Form 990-PF, Part II, Line 22 - Other Liabilities

Description	Beginning of Year	End of Year
Payroll Liabilities	$ 986	$ 986
Total	$ 986	$ 986

Federal Statements

Statement 12 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Berleen Burnette PO Box 14298 New Bern NC 28561	Board Member	3.00	9,000	0	0
Gary Baldree, Sr PO Box 14298 New Bern NC 28561	Board Member	3.00	9,000	0	0
Donald Brinkley PO Box 14298 New Bern NC 28561	Board Member	3.00	9,000	0	0
Robert Mattocks PO Box 14298 New Bern NC 28561	Board Member	3.00	9,000	0	0
Marvin Mullinix PO Box 14298 New Bern NC 28561	Board Member	3.00	9,000	0	0
Silas Seymour PO Box 14298 New Bern NC 28561	Board Member	3.00	9,000	0	0
Joyce Hendricks PO Box 14298 New Bern NC 28561	Operations D	40.00	42,000	6,300	4,800

Statement 13 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
GRANT APPLICATION (FOUR PAGES)
EXECUTIVE SUMMARY
COPY OF IRS TAX EXEMPTION LETTER
COPY OF RECENT FINACIAL STATEMENTS AND REPORTS
COPY OF RECENT FORM 990
COPY OF BUDGET FOR PERIOD WHICH INCLUDES THE PROPOSED PROJECT/ PROGRAM FUNDED BY GRANT REQUEST
LIST OF BOARD MEMBERS AND STAFF MEMBERS OF THE GRANT APPLICANT ORGANIZATION

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
May 15 and October 1 of each year

Statement 14 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
GRANT APPLICANTS MUST APPLY FOR PROGRAMS OR CAPITAL PROJECTS THAT SERVE THE RESIDENTS OF CRAVEN, PAMLICO AND JONES COUNTIES OR BE CONNECTED WITH EAST CAROLINA UNIVERSITY IN SERVING EASTERN NORTH CAROLINA.

Statement 15 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
Catholic Charities	P O Box 826		Senior Pharmacy Program	9,000
Camp Sea Gull / Camp Seaf	218 Seagull Landing		Youth Outreach Programs	10,000
Craven Smart Start, Inc.	1917 Trent Road		Early childhood family services	7,500
Religious Community Servi	PO Box 704		Rent & Utility Assistance	15,000
Pamlico Community College	P O Box 185		Technology Assistance	3,500
Craven Community Chorus,	PO Box 13704		Spring Concert	3,200
East Carolina University	Greenville Centre, Suite		Scholarships/Athletics	107,000
Tryon Palace Council of F	P O Box 1007		Lectures/Free Day	9,000
Food Bank of Central & Ea	3808 Tarheel Drive		Mobile Food Pantry Expenses	7,500
MERCI Clinic	1315 Tatum Drive		Pharmacy Assistance Program	20,000
Craven Arts Council & Gal	PO Box 596		Arts Programs	10,000
Craven Literacy Council	2800 Neuse Blvd		Literacy Programs	7,500
The Mediation Center of E	P O Box 1184		Teen Court	10,000
Jazz Preservation Society	514 E. Front Street		Jazz & Blues Fest	5,000
Promise Place	1401 Park Avenue		Families of victims of child abuse	10,000
Coastal Carolina Chp./Ame	1916 S. Glenburnie Road		Community Health & Safety Services	7,500
Tryon Palace Council of F	P O Box 1007		History Education Center	200,000
The Salvation Army	P O Drawer E		Angel Tree Program - toys at Christm	20,000
Twin Rivers YMCA	100 YMCA Lane		Grant# 09-001 Roof Replacement	74,375

Statement 15 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
East Carolina University	Greenville Centre, Suite		Scholarships	92,249
ECU Athletic Fund	Ward Sports Medicine Buil		Athletic Events	4,580
The Questers	315 George Street		Historic Preservation	8,000
New Bern Historical Socie	512 Pollock Street		Grant #09-052 Historic Battlefield E	30,000
Sudan Shriners	P O Box 490		Grant#09-042 Hospital for Children's	10,000
Tryon Palace Council of F	P O Box 1007		History Education Center	400,000
Swiss Bear	P O Box 597		Grant #08-057 Downtown Improvement P	5,283
Catholic Charities	P O Box 826		Senior Pharmacy Program	9,000
Religious Community Servi	PO Box 704		Rent & Utility Assistance	15,000
MERCI Clinic	1315 Tatum Drive		Pharmacy Assistance Program	20,000
The Mediation Center of E	P O Box 1184		Teen Court	10,000
Food Bank of Central & Ea	3808 Tarheel Drive		Mobile Food Pantry Expenses	7,500
Craven Smart Start, Inc.	1917 Trent Road		Family Support Network	7,500
Craven Literacy Council	2800 Neuse Blvd		Literacy Programs	7,500
Coastal Carolina Chp./Ame	1916 S. Glenburnie Road		Community Health & Safety Services	7,500
Craven County Parks and R	406 Craven Street		Grant#10/022 Summer Youth Program	2,500
Craven County Parks and R	406 Craven Street		Grant#10/022 Summer Youth Sports Pro	18,000
ARC of Craven County	P O Box 12211		Grant#10-032 Camp for mentally chall	8,000
Partners in Education	3600 Trent Road		Grant#10-012 Supplies for new teache	15,000

Federal Statements

Statement 15 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
Religious Community Servi	PO Box 704		Grant #10-006 Rent & Utility Assista	10,000
Change Your Life Foundati	1204 S. Glenburnie Road,		Community involvement for disadvanta	4,155
Radio Reading Service	P O Box 3274		Grant#10-004 Equipment for seeing im	1,250
Phoenix House	506 Cypress Street		Grant#10-023 Substance Abuse Organiz	3,750
New Millennium Theatre Wo	PO Box 12573		Grant #10-013 Shakespeare Festival(t	1,250
Uptown Business & Profess	P O Box 14182		Grant#10-025 Community Outreach	3,500
Coastal Carolina Chamber	PO Box 1591		Grant #10-035 Community outreach-the	2,000
East Carolina University	Greenville Centre, Suite		Scholarships	72,750
Craven Community College	800 College Court		Grant#09-043 Scholarships	25,000
Total				1,337,342

The Harold H Bate Foundation
56-2121302
Attached Schedule 1 page 1

Realized Gain/Loss Detail for Year

Short Term

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
AGRIUM INC	160.00000	43.7239	07/29/09	04/06/10	11,212.24	6,995.83	4,216.41
AUSTRALIA & NEW ZEALAND BANKING GROUP SPONSORED ADR	654.00000	13.7625	07/22/09	04/21/10	15,414.84	9,000.68	6,414.16
BAE SYSTEMS PLACE	270.00000	22 8192	06/19/09	05/24/10	5,084.94	6,161.18	-1,076.24

The Harold H Bate Foundation
56-2121302
Attached Schedule 1 page 2

Short Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
	85.00000	21.4091	08/07/09	05/24/10	1,600.81	1,819.77	-218.96
	80.00000	21.5950	08/10/09	05/24/10	1,506.65	1,727.60	-220.95
	75.00000	21.6598	08/11/09	05/24/10	1,412.49	1,624.49	-212.00
Subtotal	**510.00000**				**9,604.89**	**11,333.04**	**-1,728.15**
CENOVUS ENERGY INC	510.00000	25.5496	11/19/09	04/07/10	14,237.33	13,030.32	1,207.01
CREDIT AGRICOLE SA -UNSP ADR	630.00000	6.0920	04/08/09	04/06/10	5,561.35	3,837.96	1,723.39
ESPRIT HLDGS LTD SPONSORED ADR	0.94470	0.0000	02/01/10	02/01/10	12.86	0.01	12.85
HSBC HOLDINGS PLC-SPON ADR	291.00000	35.0241	04/24/09	04/06/10	14,788.67	10,192.01	4,596.66
MITSUBISHI CORP ADR	144.00000	27.4018	04/01/09	01/22/10	7,310.71	3,945.86	3,364.85
SOCIETE GENERALE FRANCE SPONSORED ADR	754.00000	12.5836	01/22/10	05/17/10	6,608.86	9,488.03	-2,879.17
TORONTO DOMINION BK NEW	150.00000	50.3227	07/06/09	04/06/10	11,104.96	7,548.41	3,556.55
Total - Short Term					**$95,856.71**	**$75,372.15**	**$20,484.56**

Long Term

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
BAE SYSTEMS PLACE	1,009.00000	22.5500	10/20/05	05/24/10	19,002.57	22,752.95	-3,750.38
	519.00000	20.2283	04/16/09	05/24/10	9,774.36	10,498.49	-724.13
	90.00000	22.6375	05/15/09	05/24/10	1,694.97	2,037.38	-342.41
	55.00000	22.8675	05/15/09	05/24/10	1,035.82	1,257.71	-221.89
	270.00000	23.0538	05/18/09	05/24/10	5,084.93	6,224.53	-1,139.60
Subtotal	**1,943.00000**				**36,592.65**	**42,771.06**	**-6,178.41**
BASF SE SPONSORED ADR	164.00000	39.3935	03/30/06	01/13/10	10,003.93	6,460.53	3,543.40

The Harold H. Bate Foundation
56-2121302
Attached Schedule 1 page 3

Long Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
	480.00000	31.6363	10/29/08	01/13/10	29,279.83	15,185.42	14,094.41
Subtotal	**644.00000**				**39,283.76**	**21,645.95**	**17,637.81**
CANON INC ADR REP 5SHS	342.00000	34.5830	08/26/05	04/09/10	15,505.50	11,827.38	3,678.12
	218.00000	35.3000	10/20/05	04/09/10	9,883.63	7,700.33	2,183.30
Subtotal	**560.00000**				**25,389.13**	**19,527.71**	**5,861.42**
CENOVUS ENERGY INC	321.00000	24.7151	10/20/05	04/07/10	8,961.14	7,933.54	1,027.60
	267.00000	21.1210	10/09/08	04/07/10	7,453.66	5,639.32	1,814.34
Subtotal	**588.00000**				**16,414.80**	**13,572.86**	**2,841.94**
CENTRICA PLC-SP ADR	832.00000	23.2148	09/03/08	04/19/10	15,106.27	19,314.74	-4,208.47
	148.00000	20.6960	10/08/08	04/19/10	2,687.18	3,063.01	-375.83
	422.00000	20.6960	10/08/08	05/24/10	6,628.74	8,733.71	-2,104.97
	424.00000	15.0366	02/03/09	05/24/10	6,660.17	6,375.52	284.65
	154.00000	15.0366	02/03/09	05/25/10	2,368.71	2,315.63	53.08
	623.00000	14.8367	05/14/09	05/25/10	9,582.51	9,243.26	339.25
Subtotal	**2,603.00000**				**43,033.58**	**49,045.87**	**-6,012.29**
CHEUNG KONG HLDINGS ADR (HONG KONG)	520.00000	10.0618	11/16/05	04/07/10	6,869.70	5,232.14	1,637.56
ERICSSON (LM) TEL-SP ADR NEW	96.00000	14.7949	10/23/07	05/10/10	1,011.45	1,420.31	-408.86
	1,540.00000	14.6773	11/02/07	05/10/10	16,225.47	22,602.97	-6,377.50
	320.00000	15.0759	11/06/07	05/10/10	3,371.52	4,824.27	-1,452.75
	800.00000	14.6086	11/13/07	05/10/10	8,428.82	11,686.84	-3,258.02
	762.00000	10.9828	02/13/08	05/10/10	8,028.46	8,368.89	-340.43
Subtotal	**3,518.00000**				**37,065.72**	**48,903.28**	**-11,837.56**
HEINEKEN N V ADR	219.00000	15.9250	10/20/05	02/03/10	5,400.75	3,487.57	1,913.18
	1,150.00000	15.7548	11/04/05	02/03/10	28,360.13	18,117.96	10,242.17

The Harold H Bate Foundation
56-2121302
Attached Schedule 1 page 4

Long Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
	280.00000	27.1936	02/21/08	02/03/10	6,905.07	7,614.21	-709.14
	333.00000	25.4945	06/24/08	02/03/10	8,212.11	8,489.67	-277.56
	161.00000	15.3946	11/14/08	02/03/10	3,970.42	2,478.53	1,491.89
	429.00000	15.1553	11/18/08	02/03/10	10,579.57	6,501.62	4,077.95
Subtotal	**2,572.00000**				**63,428.05**	**46,689.56**	**16,738.49**
HSBC HOLDINGS PLC-SPON ADR	12.00000	90.2189	01/16/07	04/06/10	609.84	1,082.62	-472.78
	115.00000	90.3282	01/17/07	04/06/10	5,844.31	10,387.74	-4,543.43
	110.00000	91.2274	01/18/07	04/06/10	5,590.21	10,035.01	-4,444.80
Subtotal	**237.00000**				**12,044.36**	**21,505.37**	**-9,461.01**
IMPERIAL TOB GROUP PLC SPONSORED ADR	200.00000	45.5451	03/19/09	04/06/10	12,047.87	9,109.02	2,938.85
MITSUBISHI UFJ FINANCIAL ADR	1,030.00000	11.0854	05/14/07	04/06/10	5,315.74	11,417.96	-6,102.22
NATIONAL GRID PLC SPON ADR NEW	410.00000	71.8475	04/11/08	03/03/10	20,247.46	29,457.47	-9,210.01
	25.00000	72.9040	05/23/08	03/03/10	1,234.60	1,822.60	-588.00
	15.00000	74.3380	05/28/08	03/03/10	740.77	1,115.07	-374.30
Subtotal	**450.00000**				**22,222.83**	**32,395.14**	**-10,172.31**
NITTO DENKO CORP ADR	1.00000	539.1342	06/12/07	04/06/10	388.51	539.13	-150.62
	30.00000	525.9253	06/13/07	04/06/10	11,655.51	15,777.76	-4,122.25
	10.00000	506.0000	11/16/07	04/06/10	3,885.17	5,060.00	-1,174.83
	50.00000	448.4554	05/01/08	04/06/10	19,425.88	22,422.77	-2,996.89
Subtotal	**91.00000**				**35,355.07**	**43,799.66**	**-8,444.59**
NOVARTIS AG SPON ADR	504.00000	57.3177	02/26/07	04/06/10	26,483.09	28,888.11	-2,405.02

The Harold H Bate Foundation
56-2121302
Attached Schedule 1 page 5

Long Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
NTT DOCOMO INC ADR SPONSORED ADR BONY 1/200TH ORD	502.00000	14.4614	08/10/07	04/06/10	7,674.74	7,259.61	415.13
	168.00000	14.2228	08/13/07	04/06/10	2,568.44	2,389.43	179.01
Subtotal	**670.00000**				**10,243.18**	**9,649.04**	**594.14**
PERUSAHAAN PERSEROAN PERSERO PT INDONESIA TELEKOMUNIKIASI SPON ADR	66.00000	42.4570	02/22/07	02/17/10	2,480.38	2,802.16	-321.78
	65.00000	41.2055	02/23/07	02/17/10	2,442.80	2,678.36	-235.56
	50.00000	41.1446	02/26/07	02/17/10	1,879.08	2,057.23	-178.15
	130.00000	20.5832	12/05/08	02/17/10	4,885.61	2,675.82	2,209.79
	230.00000	22.8763	12/08/08	02/17/10	8,643.77	5,261.55	3,382.22
	70.00000	24.4006	12/09/08	02/17/10	2,630.72	1,708.04	922.68
Subtotal	**611.00000**				**22,962.36**	**17,183.16**	**5,779.20**
POSCO SPONSORED ADR	56.00000	130.9040	04/07/08	02/04/10	6,354.52	7,330.63	-976.11
PUBLICIS GROUP - S A NEW SPONS ADR	416.00000	21.1917	09/06/07	02/11/10	8,145.33	8,815.76	-670.43
	284.00000	18.1549	12/06/07	02/11/10	5,560.77	5,156.00	404.77
	356.00000	18.1549	12/06/07	02/17/10	6,823.72	6,463.14	360.58
	420.00000	19.9398	05/23/08	02/17/10	8,050.46	8,374.74	-324.28
Subtotal	**1,476.00000**				**28,580.28**	**28,809.64**	**-229.36**
SEVEN & I HOLDINGS ADR	220.00000	45.0207	04/08/09	04/16/10	11,489.04	9,904.56	1,584.48
SOCIETE GENERALE FRANCE SPONSORED ADR	24.00000	22.9596	10/10/05	05/17/10	210.36	551.03	-340.67
	857.00000	22.1500	10/20/05	05/17/10	7,511.64	18,982.55	-11,470.91
	470.00000	23.3175	02/28/08	05/17/10	4,119.57	10,959.23	-6,839.66
	1,220.00000	20 0478	03/26/08	05/17/10	10,693.36	24,458.32	-13,764.96

The Harold H. Bate Foundation
56-2121302
Attached Schedule 1 page 6

Long Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
Subtotal	**2,571.00000**				**22,534.93**	**54,951.13**	**-32,416.20**
TNT NV-ADR	95.00000	23.4044	10/13/05	01/11/10	3,041.79	2,223.42	818.37
	210.81120	23.4044	10/13/05	01/20/10	6,326.71	4,933.89	1,392.82
	79.18880	23.5055	10/20/05	01/20/10	2,376.56	1,861.37	515.19
	790.00000	23.5055	10/20/05	01/25/10	22,708.81	18,569.31	4,139.50
Subtotal	**1,175.00000**				**34,453.87**	**27,587.99**	**6,865.88**
VODAFONE GROUP PLC SPONSORED ADR NEW	119.50000	28.4571	10/20/05	03/17/10	2,734.69	3,400.62	-665.93
	150.50000	23.8601	02/01/06	03/17/10	3,444.13	3,590.95	-146.82
Subtotal	**270.00000**				**6,178.82**	**6,991.57**	**-812.75**
ZURICH FINANCIAL SVCS ADR	273.00000	15.1000	11/04/04	04/06/10	6,607.41	4,122.30	2,485.11
	229.00000	15.1500	11/09/04	04/06/10	5,542.48	3,469.35	2,073.13
	78.00000	17.4815	10/10/05	04/06/10	1,887.84	1,363.56	524.28
Subtotal	**580.00000**				**14,037.73**	**8,955.21**	**5,082.52**
Total - Long Term					**$538,381.08**	**$565,866.62**	**-$27,485.54**

The Harold H. Bate Foundation
56-2121302
Attached Schedule 2

Schedule of Realized Gains and Losses Year-to-Date

Disposition Date	Acquisition Date	Closing Transaction	Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Short Term								
06/10/10	09/04/09	SELL	MAN SE ADR	MAGOY	3,263.000	24,889.84	26,710.14	1,820.30
06/16/10	09/04/09	SELL	MAN SE ADR	MAGOY	643 000	4,904.74	5,391.46	486.72
06/16/10	02/11/10	SELL	MAN SE ADR	MAGOY	2,600.000	18,052.58	21,800.64	3,748.06
10/15/10	03/05/10	SELL	BAYERISCHE MOTOREN WERKE A G ADR	BAMXY	636.000	9,333.62	14,760.80	5,427.18
10/18/10	03/05/10	SELL	BAYERISCHE MOTOREN WERKE A G ADR	BAMXY	1,354.000	19,870.63	30,704.00	10,833.37
12/03/10	03/05/10	SELL	AGRIUM INC COM	AGU	120.000	8,176.70	10,103.81	1,927.11
Total Short Term						**$85,228.11**	**$109,470.85**	**$24,242.74**
Long Term								
07/21/10	12/08/06	SELL	BP PLC SPONS ADR	BP	328 000	22,514 50	11,966.78	-10,547.72
07/21/10	02/26/07	SELL	BP PLC SPONS ADR	BP	275.000	17,585.10	10,033.12	-7,551.98
07/21/10	02/27/07	SELL	BP PLC SPONS ADR	BP	245 000	15,440.98	8,938.60	-6,502.38
07/21/10	02/28/07	SELL	BP PLC SPONS ADR	BP	24 000	1,485.06	875.62	-609.44
08/20/10	02/01/06	SELL	VODAFONE GROUP PLC SPON ADR NEW	VOD	122.000	2,910.93	2,852.41	-58.52
08/23/10	02/01/06	SELL	VODAFONE GROUP PLC SPON ADR NEW	VOD	631.000	15,055.73	14,835.18	-220.55
11/30/10	02/01/06	SELL	VODAFONE GROUP PLC SPON ADR NEW	VOD	299.625	7,149.09	7,535.89	386.80
11/30/10	03/10/06	SELL	VODAFONE GROUP PLC SPON ADR NEW	VOD	299 375	7,364.37	7,529.60	165.23
12/02/10	07/29/09	SELL	AGRIUM INC COM	AGU	131.000	5,727.82	10,982.80	5,254.98
12/02/10	07/31/09	SELL	AGRIUM INC COM	AGU	202.000	9,283.03	16,935.31	7,652.28
12/03/10	07/31/09	SELL	AGRIUM INC COM	AGU	61.000	2,803.29	5,136 10	2,332.81
12/03/10	09/09/09	SELL	AGRIUM INC COM	AGU	261.000	13,345.30	21,975 77	8,630 47
12/07/10	09/16/09	SELL	PORSCHE AUTOMOBIL HLDG SE ADR	POAHY	1,414.000	10,952 14	12,755.76	1,803.62
12/07/10	04/19/06	SELL	ROYAL DUTCH SHELL PLC SPONSORED ADR	RDS B	273.000	19,732.06	17,500.39	-2,231.67
12/07/10	10/10/05	SELL	ZURICH FINL SVCS SPONS ADR	ZFSVY	247.000	4,317.93	5,826 83	1,508.90
12/07/10	10/20/05	SELL	ZURICH FINL SVCS SPONS ADR	ZFSVY	420.000	7,098.00	9,907.96	2,809.96
12/08/10	08/22/06	SELL	HUTCHISON WHAMPOA LIMITED ADR	HUWHY	129.000	6,139 22	6,831 64	692.42
12/08/10	05/28/08	SELL	TAKEDA PHARMACEUTICAL CO	TKPYY	282.000	8,130.45	6,559.21	-1,571.24
12/08/10	05/30/08	SELL	TAKEDA PHARMACEUTICAL CO	TKPYY	388.000	11,272 64	9,024.72	-2,247 92
12/20/10	04/08/09	SELL	CREDIT AGRICOLE SA ADR	CRARY	2,838 000	17,289 10	18,403.26	1,114.16
12/22/10	04/08/09	SELL	CREDIT AGRICOLE SA ADR	CRARY	652 000	3,971.98	4,202.59	230.61
12/22/10	06/29/09	SELL	CREDIT AGRICOLE SA ADR	CRARY	1,540.000	9,930.84	9,926 36	-4.48
Total Long Term						**$219,499.56**	**$220,535.90**	**$1,036.34**
Total Short Term and Long Term						**$304,727.67**	**$330,006.75**	**$25,279.08**

The Harold H Bate Foundation
56-2121302
Attached Schedule 3 page 1

Realized Gain/Loss Detail for Year

Short Term

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
CADBURY SCHWEPPES ADR	86.00000	37.5686	08/17/09	01/26/10	4,585.29	3,230.91	1,354 38
	340.00000	37.5686	08/17/09	01/27/10	18,209.34	12,773.32	5,436.02
Subtotal	**426.00000**				**22,794.63**	**16,004.23**	**6,790.40**
Total - Short Term					**$22,794.63**	**$16,004.23**	**$6,790.40**

The Harold H Bate Foundation
56-2121302
Attached Schedule 3 page 2

Long Term

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
BHP BILLITON LTD SPON ADR	400.00000	21.1000	11/03/04	01/08/10	32,299 20	8,440.00	23,859.20
CADBURY SCHWEPPES ADR	110.00000	46.6449	05/02/05	01/08/10	5,453.65	5,130.94	322.71
	274.00000	46.6449	05/02/05	01/26/10	14,608.94	12,780.69	1,828.25
Subtotal	**384.00000**				**20,062.59**	**17,911.63**	**2,150.96**
CANADIAN NATL RY CO	200.00000	37.5200	11/16/05	01/08/10	11,198.19	7,504.00	3,694.19
CANADIAN NATURAL RESOURCES LTD	85.00000	20.3600	11/03/04	01/08/10	6,089.84	1,730.60	4,359.24
COOPER INDUSTRIES PLC CLASS A	5.00000	32.2800	11/01/04	01/08/10	222.09	161.40	60.69
	275.00000	31.6900	11/02/04	01/08/10	12,215.25	8,714.75	3,500.50
Subtotal	**280.00000**				**12,437.34**	**8,876.15**	**3,561.19**
DANONE SPONSORED ADR	450.00000	9.4350	05/02/05	01/08/10	5,489.85	4,245.75	1,244.10
NABORS INDUSTRIES LTD	480.00000	23.9900	11/02/04	01/08/10	12,908.01	11,515.20	1,392.81
	150.00000	24.2700	11/03/04	01/08/10	4,033 76	3,640.50	393.26
Subtotal	**630.00000**				**16,941.77**	**15,155.70**	**1,786.07**
NESTLE S A REG ADR	112.00000	28.1000	03/17/05	01/08/10	5,332.18	3,147.20	2,184.98
NOVARTIS AG SPON ADR	115.00000	54.0899	11/22/05	01/08/10	6,007.84	6,220.34	-212.50
POTASH CORP OF SASKATCHEWAN INC	25.00000	23.2467	11/03/04	01/08/10	3,119.97	581.17	2,538.80
PRECISION DRILLING TRUST	350.00000	29.6000	11/09/04	01/08/10	3,053.11	10,360.00	-7,306.89
RIO TINTO PLC SPONSORED ADR	80.00000	108.4200	11/03/04	01/08/10	18,713.08	8,673.60	10,039.48
SCHLUMBERGER LTD	125.00000	31.1900	11/03/04	01/08/10	8,862.52	3,898.75	4,963.77

YT321043 041023 043160239321 NYNNN NNNNN NNNNNN 000007

The Harold H. Bate Foundation
56-2121302
Attached Schedule 3 page 3

Long Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
TECK RESOURCES LTD CLASS B	535.00000	25.5930	12/22/05	01/08/10	21,407.20	13,692.23	7,714.97
TENARIS S A SPONSORED ADR	400.00000	8.8840	11/03/04	01/08/10	18,167.86	3,553.60	14,614.26
TRANSOCEAN LTD ORDINARY SHARES	150.00000	35.4200	11/03/04	01/08/10	13,833.09	5,313.00	8,520.09
UNILEVER N V ADR	247.00000	36.8662	12/31/07	01/08/10	7,815.73	9,105.96	-1,290.23
VALE S A ADR	390.00000	5.4075	11/03/04	01/08/10	12,336.67	2,108.93	10,227.74
Total - Long Term					**$223,168.03**	**$130,518.61**	**$92,649.42**

The Harold H. Bate Foundation
56-2121302
Attached Schedule 4

Schedule of Realized Gains and Losses Year-to-Date

Disposition Date	Acquisition Date	Closing Transaction	Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Short Term								
06/09/10	11/27/09	SELL	FIBRIA CELULOSE S A SPONSORED ADR	FBR	202.000	3,061.31	3,091.35	30.04
12/07/10	06/09/10	SELL	RWE AG SPONSORED ADR	RWEOY	25 000	1,675.00	1,603.72	-71.28
Total Short Term						**$4,736.31**	**$4,695.07**	**-$41.24**
Long Term								
06/09/10	11/02/04	SELL	COOPER INDS PLC SHS	CBE	175.000	5,545.75	8,060.37	2,514 62
06/09/10	11/01/04	SELL	INGERSOLL RAND PLC SHS	IR	75.000	2,570.25	2,724.94	154.69
06/09/10	11/02/04	SELL	INGERSOLL RAND PLC SHS	IR	255 000	8,838.30	9,264.79	426.49
06/09/10	03/17/05	SELL	NESTLE SA SPONSORED ADRS REGISTERED	NSRGY	165.000	4,636 50	7,713 61	3,077.11
06/09/10	12/22/05	SELL	TECK RES LTD CL B SUB VTG	TCK	450 000	11,516.82	14,539.29	3,022.47
06/09/10	11/09/04	SELL	TRICAN WELL SERVICE LTD	TOLWF	290 000	1,881.61	3,606.60	1,724.99
06/09/10	11/03/04	SELL	VALE SA ADR	VALE	170 000	919 27	4,387 92	3,468.65
12/07/10	05/02/05	SELL	BAE SYS PLC SPONSORED ADR	BAESY	280 000	5,516 00	5,645 88	129 88
12/07/10	09/25/07	SELL	BAE SYS PLC SPONSORED ADR	BAESY	500.000	19,490 95	10,081 93	-9,409.02
12/07/10	08/17/09	SELL	BAE SYS PLC SPONSORED ADR	BAESY	120 000	2,532.00	2,419.66	-112.34
12/07/10	01/31/05	SELL	RWE AG SPONSORED ADR	RWEOY	165 000	9,594.75	10,584 57	989 82
12/07/10	08/17/09	SELL	RWE AG SPONSORED ADR	RWEOY	20 000	1,638.80	1,282.98	-355 82
12/27/10	11/02/04	SELL	NOBLE CORPORATION BAAR NAMEN AKT	NE	240.000	5,308.80	8,267.21	2,958 41
12/27/10	11/03/04	SELL	NOBLE CORPORATION BAAR NAMEN AKT	NE	155.000	3,489.83	5,339 24	1,849.41
12/27/10	11/03/04	SELL	TRANSOCEAN LTD ZUG NAMEN AKT	RIG	149.338	5,289.55	10,215.00	4,925.45
12/27/10	11/03/04	SELL	TRANSOCEAN LTD ZUG NAMEN AKT	RIG	315 662	18,852.64	21,591.86	2,739.22
Total Long Term						**$107,621.82**	**$125,725.85**	**$18,104.03**
Total Short Term and Long Term						**$112,358.13**	**$130,420.92**	**$18,062.79**

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 The Harold H. Bate Foundation, Inc.	Employer identification number 56-2121302
	Number, street, and room or suite no. If a P O box, see instructions. PO Box 14298	
	City, town or post office, state, and ZIP code For a foreign address, see instructions New Bern NC 28561	

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 ▶ William O. Austin, CPA 3105 Trent Rd New Bern NC 28562
  Telephone No ▶ 252-633-5821 FAX No. ▶ 252-633-0199
- 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	$ 20,941
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	$ 20,941
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	$ 0

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.

- 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 The Harold H. Bate Foundation, Inc.	Employer identification number 56-2121302
	Number, street, and room or suite no If a P O box, see instructions PO Box 14298	
	City, town or post office, state, and ZIP code For a foreign address, see instructions New Bern NC 28561	

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 ▶ William O. Austin, CPA 3105 Trent Rd New Bern NC 28562

Telephone No ▶ 252-633-5821 FAX No ▶ 252-633-0199

- 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 requested to gather the information necessary to prepare a complete and accurate return.

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	$ 13,397
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	$ 60,941
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 ▶ [signature] Title ▶ CPA Date ▶ 8/10/11

DAA