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

2010

Department of the Treasury
Internal Revenue Service

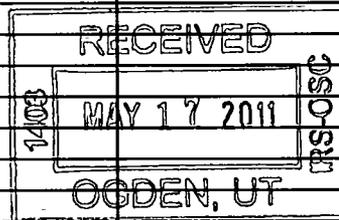
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2010, or tax year beginning _____, 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 GRAHAM FAMILY FOUNDATION		A Employer identification number 56-2152871
Number and street (or P O box number if mail is not delivered to street address) 100 EUROPA DRIVE	Room/suite 190	B Telephone number 919-968-4017
City or town, state, and ZIP code CHAPEL HILL, NC 27514-2394		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 219,039.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		2,125.	2,125.		STATEMENT 1
4 Dividends and interest from securities		3,387.	3,387.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		1,692.			
b Gross sales price for all assets on line 6a 48,654.					
7 Capital gain net income (from Part IV, line 2)			1,692.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		207.	207.		STATEMENT 3
12 Total. Add lines 1 through 11		7,411.	7,411.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 4		3,000.	0.		3,000.
c Other professional fees STMT 5		1,851.	1,851.		0.
17 Interest					
18 Taxes STMT 6		22.	0.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		25.	0.		25.
24 Total operating and administrative expenses. Add lines 13 through 23		4,898.	1,851.		3,025.
25 Contributions, gifts, grants paid		6,802.			6,802.
26 Total expenses and disbursements. Add lines 24 and 25		11,700.	1,851.		9,827.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-4,289.			
b Net investment income (if negative, enter -0-)			5,560.		
c Adjusted net income (if negative, enter -0-)				N/A	



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Part II Balance Sheets <small>Attached schedules and amounts in the description column should be for end-of-year amounts only</small>		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	4,983.	15,390.	15,390.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 8	45,076.	37,649.	40,415.
	b Investments - corporate stock STMT 9	154,158.	147,920.	164,265.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ OUTSTANDING CHECKS)	0.	-1,031.	-1,031.	
16 Total assets (to be completed by all filers)	204,217.	199,928.	219,039.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	204,217.	199,928.		
30 Total net assets or fund balances	204,217.	199,928.		
31 Total liabilities and net assets/fund balances	204,217.	199,928.		

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	204,217.
2 Enter amount from Part I, line 27a	2	-4,289.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	199,928.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	199,928.

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 STATEMENT	P		
b SEE STATEMENT	P		
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 12,328.		12,399.	-71.
b 36,326.		34,563.	1,763.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(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	
a			-71.
b			1,763.
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	1,692.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

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

Yes No

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

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	12,478.	193,674.	.064428
2008	14,224.	244,631.	.058145
2007	16,268.	295,899.	.054978
2006	13,885.	283,762.	.048932
2005	14,901.	283,451.	.052570

2 Total of line 1, column (d)	2	.279053
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	.055811
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	209,189.
5 Multiply line 4 by line 3	5	11,675.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	56.
7 Add lines 5 and 6	7	11,731.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	9,827.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> 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 <input type="checkbox"/> and enter 1% of Part I, line 27b	1	111.
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	111.
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	111.
6	Credits/Payments:		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	
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	0.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	111.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
d		
e		
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	X	
14	The books are in care of ▶ <u>STEVEN R. ARMSTRONG</u> Telephone no. ▶ <u>919-967-0618</u> Located at ▶ <u>100 EUROPA DRIVE, SUITE 525, CHAPEL HILL, NC</u> ZIP+4 ▶ <u>27515</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u> N/A			
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? 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 ▶	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <input type="checkbox"/> N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010) <input type="checkbox"/> N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d) N/A

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? Yes 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? Yes No

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
LAURA PINNER GRAHAM 1 BEVERLY DRIVE DURHAM, NC	DIRECTOR 0.00	0.	0.	0.
JOHN P GRAHAM 100 EUROPA DRIVE CHAPEL HILL, NC	DIRECTOR, PRES & TREAS 0.00	0.	0.	0.
MARGARET GRAHAM CAMPBELL 108 69TH STREET VIRGINIA BEACH, VA	DIRECTOR, SECRETARY 0.00	0.	0.	0.
LAURA GRAHAM WHEDON 4520 TOWN AND COUNTRY DRIVE CHARLOTTE, NC	DIRECTOR, VICE-PRESIDENT 0.00	0.	0.	0.

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

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

Total number of other employees paid over \$50,000 0

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

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

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3 ▶ 0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	196,332.
b	Average of monthly cash balances	1b	16,043.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	212,375.
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	212,375.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	3,186.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	209,189.
6	Minimum investment return. Enter 5% of line 5	6	10,459.

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

1	Minimum investment return from Part X, line 6	1	10,459.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	111.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	111.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	10,348.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	10,348.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	10,348.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	9,827.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	9,827.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	9,827.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				10,348.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			6,638.	
b Total for prior years:		0.		
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	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 9,827.				
a Applied to 2009, but not more than line 2a			6,638.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				3,189.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				7,159.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
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 instructions and Part VII-A, question 9) N/A

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

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

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

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

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

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

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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	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
Name and address (home or business)				
<i>a Paid during the year</i> SCHEDULE	NONE	PUBLIC	ANNUAL BUDGET	6,802.
Total			▶ 3a	6,802.
<i>b Approved for future payment</i> NONE				
Total			▶ 3b	0.

Graham Family Foundation
YE 12/31/2010
Employer ID 56-2152871
GRANTS MADE

<i>Recipient</i>	<i>Fnd Status</i>	<i>Purpose of Grant</i>	<i>Amount</i>
American Red Cross - Central NC Chap 4737 University Drive Durham, NC 27717-2509	Public	Annual Operations	\$ 384.00
Caring House 2625 Pickett Road Durham NC 27705	Public	Annual Operations	88.00
Children's Home Society Of NC PO Box 14608 Greensboro, NC 27415	Public	Annual Operations	112.00
Christ Episcopal Church 1412 Providence Road Charlotte, NC 28207	Public	Annual Operations	850.00
Duke HomeCare & Hospice PO Box 2997 Durham, NC 27704	Public	Hospice Care	565.00
Durham County Habitat For Humanity 215 N. Church Street Durham, NC 27702	Public	Annual Operations	82.00
Durham County Library Foundation PO Box 3809 Durham NC 27702	Public	Annual Operations	112.00
Durham Rescue Mission PO Box 11368 Durham, NC 27703-0368	Public	Annual Operations	142.00
First Presbyterian Church Of Atlanta 1328 Peachtree Street, NE Atlanta, GA 30309	Public	Annual Giving - Operations	850.00
Hollins University PO Box 9629 Roanoke, VA 24020	Public	Hollins Fund	112.00

**Graham Family Foundation
YE 12/31/2010
Employer ID 56-2152871
GRANTS MADE**

<i>Recipient</i>	<i>Fnd Status</i>	<i>Purpose of Grant</i>	<i>Amount</i>
Paralyzed Veterans Of America 7 Mill Brook Road Wilton, NH 03086-0907	Public	Annual Operations	314.00
Penick Village PO Box 2001 Southern Pines, NC 28388	Public	Annual Operations	112.00
Historic Preservation Society of Durham PO Box 25411 Durham, NC 27702	Public	Annual Operations	82.00
Saint Mary's School 900 Hillsborough Street Raleigh, NC 27603	Public	Annual Operations	112.00
Saint Philips Episcopal Church PO Box 218 Durham, NC 27702	Public	Annual Ministry	324.00
St. Stephen's Episcopal Church 82 Kimberly Drive Durham, NC 27707	Public	Annual Operations	850.00
The Salvation Army PO Box 1330 Durham,A5 NC 27702-1330	Public	Annual Operations	360.00
Triangle United Way PO Box 110387 Research Triangle Park, NC 27709-9996	Public	Durham Area Operations	347.00
UNC - Lineberger Comp Cancer Center Campus Box 7293 (Plaza Level) UNC Chapel Hill Chapel Hill NC 27599-7295	Public	Annual Operations	154.00
The Contemporary Art Center of Virginia 2200 Parks Avenue Virginia Beach, VA 23451	Public	Collectors Circle	850.00
			6,802.00

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
SMITH BARNEY- 132-01581-14	1,951.
WELLS FARGO #4711-5789	174.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	2,125.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SMITH BARNEY - 121-01581-14	2,425.	0.	2,425.
WELLS FARGO #4711-5789	962.	0.	962.
TOTAL TO FM 990-PF, PART I, LN 4	3,387.	0.	3,387.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
OTHER	207.	207.	
TOTAL TO FORM 990-PF, PART I, LINE 11	207.	207.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
STEVEN R. ARMSTRONG, CPA	3,000.	0.		3,000.
TO FORM 990-PF, PG 1, LN 16B	3,000.	0.		3,000.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
SOLOMON SMITH BARNEY	1,851.	1,851.			0.
TO FORM 990-PF, PG 1, LN 16C	1,851.	1,851.			0.

FORM 990-PF	TAXES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL TAX	22.	0.			0.
TO FORM 990-PF, PG 1, LN 18	22.	0.			0.

FORM 990-PF	OTHER EXPENSES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
WIRE FEE	25.	0.			25.
TO FORM 990-PF, PG 1, LN 23	25.	0.			25.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	8
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT BONDS	X		37,649.	40,415.
TOTAL U.S. GOVERNMENT OBLIGATIONS			37,649.	40,415.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			37,649.	40,415.

FORM 990-PF	CORPORATE STOCK	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MARKETABLE SECURITIES - SCH	147,920.	164,265.
TOTAL TO FORM 990-PF, PART II, LINE 10B	147,920.	164,265.

Ref: 00000057 00000229

GRAHAM FAMILY FOUNDATION
Account Number 132-01581-14 500

Details of Earnings 2010 - continued

Dividends and Distributions, Section 1

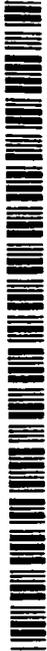
Reference number	Description	Total dividends	Qualified dividends	Short term capital gains	Total capital gain distributions	Unrecaptured Sec 1250 gain	Section 1202 gain	Alternative minimum tax
160002100	713448108000 PEPSICO INC	\$ 82.80	\$ 82.80					
160002200	714992955000 WESTERN ASSET MONEY MARKET FUND CLASS A	24.01						
160002300	816851109000 SEMPRA ENERGY	146.25	146.25					
160002400	855030102000 STAPLES INC	45.94	45.94					
160002500	882508104000 TEXAS INSTRUMENTS INC	99.00	99.00					
160002600	92826C839000 VISA INC COM CL A	8.75	8.75					
160002700	931142103000 WAL-MART STORES INC	27.25	27.25					
160002800	859802109000 WESTERN UNION COMPANY (THE)	24.90	24.90					
Totals		\$ 2,425.11	\$ 2,401.10					

Details of Short Term Gain (Loss) 2010

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than \$20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor. For additional information regarding this section see enclosed brochure.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted	Original Gain/(Loss) Adjusted	Ordinary Income Capital Gain/(Loss)
125000020	100	BAXTER INTL INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	08/24/09	01/20/10	\$ 6,046.95	\$ 5,076.75	\$ 970.20	\$ 0.00
						\$ 5,076.75	\$ 970.20	\$ 0.00

2 0 1 0 Y E A R E N D S U M M A R Y



Ref: 00000057 00000230

GRAHAM FAMILY FOUNDATION
Account Number 132-01581-14 500

Details of Short Term Gain (Loss) 2010 - continued

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000060	80	NUCOR CORP MorganStanley SmithBarney LLC acted as your agent in this transaction.	09/18/09	06/18/10	\$ 3,349.63	\$ 3,989.00 \$ 3,889.00	(\$ 639.37) (\$ 639.37)	\$ 0.00 \$ 0.00
	70		01/13/10		2,830.93	3,333.55 3,333.55	(402.62) (402.62)	0.00 0.00
Total					\$ 12,327.51	\$ 12,399.30 \$ 12,389.30	(\$ 71.79) (\$ 71.79)	\$ 0.00 \$ 0.00

Details of Long Term Gain (Loss) 2010

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than \$20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor. For additional information regarding this section see enclosed brochure.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000010	38.25	BANK OF AMERICA CORP MorganStanley SmithBarney LLC acted as your agent in this transaction.	08/18/05	06/18/10	\$ 606.30	\$ 2,598.31 \$ 2,598.31	(\$ 1,992.01) (\$ 1,992.01)	\$ 0.00 \$ 0.00
	12.75		06/14/06		202.10	971.20 971.20	(769.10) (769.10)	0.00 0.00
	12.75		06/30/06		202.10	1,033.65 1,033.65	(831.55) (831.55)	0.00 0.00
	21.25		09/10/07		336.83	1,778.82 1,778.82	(1,441.79) (1,441.79)	0.00 0.00
125000030	90	CISCO SYS INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	03/24/05	03/31/10	2,347.16	1,625.59 1,625.59	721.57 721.57	0.00 0.00
	180		07/19/05		4,694.32	3,586.03 3,586.03	1,108.29 1,108.29	0.00 0.00
	50		08/16/05		1,303.97	887.59 887.59	416.38 416.38	0.00 0.00
125000040	70	EOG RESOURCES INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	01/12/09	04/23/10	7,903.91	4,499.45 4,499.45	3,404.46 3,404.46	0.00 0.00

2 0 1 0 Y E A R E N D S U M M A R Y



Ref. 0000057 00000231

GRAHAM FAMILY FOUNDATION
Account Number 132-01581-14 500

Details of Long Term Gain (Loss) 2010 - continued

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted	Original Gain/(Loss) Adjusted	Ordinary Income Capital Gain/(Loss)
125000050	100	HCC INSURANCE HOLDINGS INC	08/16/07	02/17/10	\$ 2,704.08	\$ 2,675.00	\$ 29.08	\$ 0.00
	100	MorganStanley SmithBarney LLC acted as your agent in this transaction.	09/10/07		2,704.07	2,683.00	21.07	\$ 0.00
125000070	1,000	U S TREASURY NOTES SER H-2010 DTD 04/15/2005	11/23/05	04/15/10	1,000.00	985.86	14.14	14.14
	7,000	DUE 04/15/2010 RATE 4.000	05/12/06		7,000.00	6,742.42	257.58	257.58
125000080	50	WAL-MART STORES INC	03/03/06	02/08/10	2,660.57	2,268.23	392.34	0.00
	10	MorganStanley SmithBarney LLC acted as your agent in this transaction.	05/02/06		532.11	461.00	71.11	0.00
	5		08/11/06		266.06	461.00	71.11	0.00
	10		02/07/07		532.11	222.30	43.76	0.00
	25		09/10/07		1,330.28	485.90	46.21	0.00
						1,058.50	271.78	0.00
Total					\$ 36,325.97	\$ 34,562.65	\$ 1,763.32	\$ 271.72
						\$ 34,562.65	\$ 1,763.32	\$ 0.00

Details of Deposits and Withdrawals 2010

This section reflects any deposits or withdrawals made to your account during the year.

Deposits

Reference number	Date	Description	Amount	Reference number	Date	Description	Amount
210000100	05/12/10	WESTERN ASSET MONEY MARKET FUND CLASS A FROM 132-02052-01 TO 132-01581-01	\$.34	210000200	07/20/10	INVESTMENT AND MGMT SERVICES FROM 07/16/10 TO 09/30/10	\$ 688.28



**GRAHAM FAMILY FOUNDATION
JOHN P GRAHAM PRESIDENT**

DECEMBER 1 - DECEMBER 31, 2010
ACCOUNT NUMBER: 4711-5789

Portfolio detail

Cash and Sweep Balances

Bank Deposit Sweep - Consists of monies held in one or more FDIC-insured depository account(s) established with Wells Fargo Bank, N.A. Additional funds over \$250,000 are deposited at one or more additional banks affiliated with Wells Fargo Advisors. These assets are not covered by SIPC, but are instead covered by FDIC insurance in accordance with FDIC rules. For additional information on the Bank Deposit Sweep for your account please contact Your Financial Advisor.

DESCRIPTION	% OF ACCOUNT	ANNUAL PERCENTAGE YIELD EARNED*	CURRENT MARKET VALUE	ESTIMATED ANNUAL INCOME
Cash	0.01	N/A	29.05	N/A
BANK DEPOSIT SWEEP	6.54	0.05	14,329.92	7.16
Interest Period 12/01/10 - 12/31/10				
Total Cash and Sweep Balances	6.56		\$14,358.97	\$7.16

* APY measures the total amount of the interest paid on an account based on the interest rate and the frequency of the compounding during the interest period. The annual percentage yield is expressed as an annualized rate, based on a 365- or 366-day year (as applicable).

Stocks, options & ETFs

Stocks and ETFs

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
								ANNUAL INCOME	ANNUAL YIELD (%)
AUTOMATIC DATA PROCESSING ADP									
Acquired 08/20/09 L	130	37.82	4,917.65	6,016.40	1,098.75				
Acquired 08/27/09 L	70	38.53	2,697.10	3,239.60	542.50				
Total	4.23	200	\$7,614.75	46.2800	\$9,256.00	\$1,641.25	\$288.00	3.11	
BRISTOL MYERS SQUIBB CO									
Acquired 04/28/09 L	4.11	340	18.90	6,428.04	9,003.20	2,575.16	448.80	4.98	
COGNIZANT TECHNOLOGY SOLUTIONS CORP CL A									
Acquired 09/17/07 L	165	36.09	5,955.02	12,092.85	6,137.83				
Acquired 11/08/07 L	45	33.08	1,488.96	3,298.05	1,809.09				
Total	7.03	210	\$7,443.98	73.2900	\$15,390.90	\$7,946.92	N/A	N/A	





**GRAHAM FAMILY FOUNDATION
JOHN P GRAHAM PRESIDENT**

DECEMBER 1 - DECEMBER 31, 2010
ACCOUNT NUMBER: 4711-5789

**Stocks, options & ETFs
Stocks and ETFs continued**

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
								ANNUAL INCOME	ANNUAL YIELD (%)
CORNING INC									
GLW	3.75	425	15.80	6,719.08	19.3200	8,211.00	1,491.92	85.00	1.03
EXXON MOBIL CORP									
XOM									
Acquired 03/13/03 L		20	34.34	686.92		1,462.40	775.48		
Acquired 11/03/03 L		20	36.79	735.83		1,462.40	726.57		
Acquired 01/27/10 S		70	65.64	4,594.80		5,118.40	523.60		
Total	3.67	110		\$6,017.55	73.1200	\$8,043.20	\$2,025.65	\$183.60	2.41
HEWLETT-PACKARD COMPANY									
HPQ	2.31	120	53.67	6,441.44	42.1000	5,052.00	-1,389.44	38.40	0.76
HONEYWELL INTERNATIONAL INC									
HON									
Acquired 09/16/02 L		5	24.16	120.80		265.80	145.00		
Acquired 01/30/03 L		40	23.46	938.62		2,126.40	1,187.78		
Acquired 07/24/06 L		5	36.58	182.94		265.80	82.86		
Acquired 06/16/08 L		90	56.03	5,043.51		4,784.40	-259.11		
Acquired 01/27/09 L		10	33.77	337.77		531.60	193.83		
Total	3.64	150		\$6,623.64	53.1600	\$7,974.00	\$1,350.36	\$181.50	2.28
INTEL CORP									
INTC									
Acquired 07/19/05 L		200	28.55	5,710.60		4,206.00	-1,504.60		
Acquired 07/20/05 L		50	27.14	1,357.48		1,051.50	-305.98		
Acquired 03/28/06 L		190	19.74	3,751.55		3,995.70	244.15		
Total	4.22	440		\$10,819.63	21.0300	\$9,253.20	-\$1,566.43	\$277.20	3.00
JOHNSON & JOHNSON									
JNJ									
Acquired 04/15/04 L		5	54.49	272.48		309.25	36.77		
Acquired 03/01/07 L		20	62.46	1,249.36		1,237.00	-12.36		
Acquired 03/23/07 L		5	60.41	302.05		309.25	7.20		
Acquired 07/27/07 L		5	60.10	300.51		309.25	8.74		
Acquired 09/24/07 L		65	65.30	4,244.50		4,020.25	-224.25		
Total	2.82	100		\$6,388.90	61.8500	\$6,185.00	-\$183.90	\$216.00	3.49

GRAHAM FAMILY FOUNDATION
JOHN P GRAHAM PRESIDENT

DECEMBER 1 - DECEMBER 31, 2010
ACCOUNT NUMBER: 4711-5789

Stocks, options & ETFs
Stocks and ETFs continued

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
							ANNUAL INCOME	ANNUAL YIELD (%)
JPMORGAN CHASE & CO								
JPM								
Acquired 08/16/07 L	5	42.93	214.65		212.10	-2.55		
Acquired 06/25/08 L	150	38.43	5,765.24		6,363.00	597.76		
Acquired 01/27/09 L	15	24.80	372.14		636.30	264.16		
Total	170		\$6,352.03	42.4200	\$7,211.40	\$859.37	\$34.00	0.47
KIMBERLY-CLARK CORP								
KMB								
Acquired 09/18/08 L	100	64.99	6,499.99		6,304.00	-195.99		
Acquired 10/09/08 L	15	61.69	925.46		845.60	20.14		
Acquired 01/27/10 S	5	60.27	301.35		315.20	13.85		
Total	120		\$7,726.80	63.0400	\$7,564.80	-\$162.00	\$316.80	4.19
MEDTRONIC INC								
MDT								
Acquired 10/22/08 L	140	41.24	5,774.24		5,192.60	-581.64		
Acquired 01/27/10 S	25	43.58	1,089.50		927.25	-162.25		
Total	165		\$6,863.74	37.0900	\$6,119.85	-\$743.89	\$148.50	2.43
MICROSOFT CORP								
MSFT								
Acquired 12/17/03 L	40	27.03	1,081.38		1,116.40	35.02		
Acquired 03/10/04 L	65	25.67	1,669.04		1,814.15	145.11		
Acquired 12/01/04 L	45	27.27	1,227.41		1,255.95	28.54		
Acquired 01/25/05 L	40	26.12	1,045.04		1,116.40	71.36		
Acquired 07/19/05 L	145	25.94	3,762.56		4,046.95	284.39		
Total	335		\$8,785.43	27.9100	\$9,349.85	\$564.42	\$214.40	2.29
MORGAN STANLEY & CO								
MS								
Acquired 08/16/07 L	50	55.88	2,794.00		1,360.50	-1,433.50		
Total	50		2,794.00	27.2100	1,360.50	-1,433.50	10.00	0.73
NEWMONT MINING CORP								
NEW								
Acquired 03/29/10 S	100	50.22	5,022.30		6,143.00	1,120.70		
Total	100		5,022.30	61.4300	6,143.00	1,120.70	60.00	0.97
PEPSICO INCORPORATED								
PEP								
Acquired 07/31/02 L	45	42.71	1,922.20		2,939.85	1,017.65		
Acquired 09/05/02 L	15	37.32	559.82		979.85	420.13		



**GRAHAM FAMILY FOUNDATION
JOHN P GRAHAM PRESIDENT**

DECEMBER 1 - DECEMBER 31, 2010
ACCOUNT NUMBER: 4711-5789

**Stocks, options & ETFs
Stocks and ETFs continued**

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
							ANNUAL INCOME	ANNUAL YIELD (%)
Acquired 06/14/06 L	5	29.63	148.20		83.15	-65.05		
Acquired 08/31/06 L	15	28.00	435.00		249.45	-185.55		
Acquired 01/10/07 L	15	28.43	426.59		249.45	-177.14		
Acquired 07/25/07 L	5	24.85	124.29		83.15	-41.14		
Acquired 07/27/07 L	10	23.59	236.00		166.30	-69.70		
Total	205		\$6,287.63	16.6300	\$3,409.15	-\$2,878.48	N/A	N/A
Total Stocks and ETFs	74.99		\$147,920.24		\$164,264.65	\$16,344.41	\$3,363.00	2.05
Total Stocks, options & ETFs	74.99		\$147,920.24		\$164,264.65	\$16,344.41	\$3,363.00	2.05

Fixed Income Securities

Corporate and municipal bonds and other fixed income securities are priced by a computerized pricing service or, for less actively traded issues, by utilizing a yield-based matrix system to arrive at an estimated market value.

Government Bonds

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ESTIMATED	
							ANNUAL INCOME	ANNUAL YIELD (%)
FEDERAL HOME LOAN MTG GLOBAL NOTES CPN 5.750% DUE 01/15/12 DTD 01/14/02 FC 07/15/02 Moody AAA, S&P AAA REMAIN BAL 19,000.00 DEC FACTOR 1.00000000 CUSIP 31344AJT2 Acquired 08/10/07 L	18,000	102.82	18,508.68	105.5220	18,993.96	485.28	477.25	5.44
FEDERAL HOME LOAN MTG NOTES CPN 4.875% DUE 11/15/13 DTD 10/17/03 FC 05/15/04 Moody AAA, S&P AAA REMAIN BAL 7,000.00 DEC FACTOR 1.00000000 CUSIP 31344AJK8 Acquired 11/27/06 L Acquired 05/16/07 L	4,000 3,000	100.41 99.49	4,016.56 2,984.75		4,424.92 3,318.69	408.36 333.94		





**GRAHAM FAMILY FOUNDATION
JOHN P GRAHAM PRESIDENT**

DECEMBER 1 - DECEMBER 31, 2010
ACCOUNT NUMBER: 4711-5789

Fixed Income Securities

Government Bonds continued

DESCRIPTION	% OF ACCOUNT	QUANTITY	ADJ PRICE/ ORIG PRICE	ADJ COST/ ORIG COST	CURRENT PRICE	CURRENT MARKET VALUE	UNREALIZED GAIN/LOSS	ACCRUED INTEREST	ESTIMATED	
									ANNUAL INCOME	ANNUAL YIELD (%)
Total	3.54	7,000		\$7,001.31	110.6230	\$7,743.61	\$742.30	\$43.80	\$341.25	4.41
US TREASURY NOTES										
CPN 4.875% DUE 08/15/16										
DTD 08/15/06 FC 02/15/07										
Moody AAA, S&P AAA										
CUSIP 912828FQ8										
Acquired 04/10/07 L	6.24	12,000	101.16	12,139.38	113.9770	13,677.24	1,537.86	219.38	585.00	4.27
Total Government Bonds	18.45	37,000		\$37,649.37		\$40,414.81	\$2,765.44	\$740.23	\$1,961.25	4.85
Total Fixed Income Securities	18.45			\$37,649.37		\$40,414.81	\$2,765.44	\$740.23	\$1,961.25	4.85

Bank Deposit Sweep Allocation

Monies on deposit at each bank, together with any other deposits held in the same insurable capacity at each bank, are eligible for FDIC insurance up to \$250,000 per depositor, per bank in accordance with FDIC rules for a total of up to \$750,000 in FDIC insurance when deposited at multiple banks. These assets are not held in your securities brokerage account and therefore not covered by SIPC. Settlement timing differences will cause balances displayed in this section to vary from those indicated in the Portfolio detail section due to activity that occurs after 2 PM ET on the last business day of the month. If you have questions about your sweep option, including rates, please contact Your Financial Advisor.

DESCRIPTION	CURRENT VALUE	AS OF VALUE DATE
WELLS FARGO BANK, N.A.	14,329.14	12/31
Total Bank Deposits	\$14,329.14	

Activity detail

Income and distributions

DATE	ACCOUNT TYPE	TRANSACTION	QUANTITY	DESCRIPTION	PRICE	AMOUNT
12/01	Cash	DIVIDEND		INTEL CORP 120110 440		69.30
12/07	Cash	DIVIDEND		VISA INC CLASS A 120710 70		10.50
12/09	Cash	DIVIDEND		MICROSOFT CORP 120910 335		53.60
12/10	Cash	DIVIDEND		EXXON MOBIL CORP 121010 110		48.40