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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning , 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 STEPHEN D. FALKENBURY JR. FOUNDATION		A Employer identification number 56-2201996
Number and street (or P.O. box number if mail is not delivered to street address) 810 SHETLAND PLACE NW	Room/suite	B Telephone number 704-904-0108
City or town, state, and ZIP code CONCORD, NC 28027-7578		C If exemption application is pending, check here ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1 Foreign organizations, check here ☐ 2 Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 621,770.	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
(Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(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					
2 Check ☒ if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		9,412.	9,412.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		25,178.			
b Gross sales price for all assets on line 6a		196,698.			
7 Capital gain net income (from Part IV, line 2)			25,178.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		68.	68.	0.	STATEMENT 2
12 Total Add lines 1 through 11		34,658.	34,658.	0.	
13 Compensation of officers, directors, trustees, etc		0.	0.	0.	0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees STMT 3		6,000.	6,000.	0.	0.
b Accounting fees STMT 4		5,425.	5,425.	0.	0.
c Other professional fees STMT 5		8,765.	8,765.	0.	0.
17 Interest					
18 Taxes STMT 6		178.	178.	0.	0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		1,449.	0.	0.	0.
24 Total operating and administrative expenses Add lines 13 through 23		21,817.	20,368.	0.	0.
25 Contributions, gifts, grants paid		30,000.			30,000.
26 Total expenses and disbursements Add lines 24 and 25		51,817.	20,368.	0.	30,000.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-17,159.			
b Net investment income (if negative, enter -0-)			14,290.		
c Adjusted net income (if negative, enter -0-)				0.	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		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		- 9,113.	2,629.	2,629.
	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 ▶ 141,000.				
		Less: allowance for doubtful accounts ▶ 0.		100,000.	141,000.	141,000.
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations STMT 9		46,855.	47,493.	48,209.
	b	Investments - corporate stock STMT 10		373,585.	305,273.	429,932.
	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 ▶)					
16	Total assets (to be completed by all filers)		511,327.	496,395.	621,770.	
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 ▶ ☐					
	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		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		511,327.	496,395.	
30	Total net assets or fund balances		511,327.	496,395.		
31	Total liabilities and net assets/fund balances		511,327.	496,395.		

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	511,327.
2	Enter amount from Part I, line 27a	2	-17,159.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 8	3	2,227.
4	Add lines 1, 2, and 3	4	496,395.
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	496,395.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHED STATEMENTS		P	VARIOUS	VARIOUS
b SEE ATTACHED STATEMENTS		P	VARIOUS	VARIOUS
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 56,170.		52,707.	3,463.
b 140,528.		118,813.	21,715.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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			3,463.
b			21,715.
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	25,178.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). 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	34,929.	539,830.	.064704
2008	42,062.	730,593.	.057572
2007	46,400.	826,193.	.056161
2006	41,513.	793,656.	.052306
2005	39,300.	783,870.	.050136

2 Total of line 1, column (d)	2	.280879
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	.056176
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	615,902.
5 Multiply line 4 by line 3	5	34,599.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	143.
7 Add lines 5 and 6	7	34,742.
8 Enter qualifying distributions from Part XII, line 4	8	30,000.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see 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	286.
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	286.
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	286.
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 ☐ 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 SEE STATEMENT 11	9	286.
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 ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see 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	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► JOHN W. FALKENBURY Telephone no ► 704-904-0108 Located at ► 810 SHETLAND PLACE NW, CONCORD NC ZIP+4 ► 28027-7578			
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 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?	☐ 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)? Organizations relying on a current notice regarding disaster assistance check here ► ☐	1b	X
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? If "Yes," list the years ► , , ,	☐ Yes ☒ No	
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.) 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?	☐ 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

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ 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)?

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.

(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 13		0.	0.	714.

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

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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	
	0.
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.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	474,768.
b	Average of monthly cash balances	1b	9,513.
c	Fair market value of all other assets	1c	141,000.
d	Total (add lines 1a, b, and c)	1d	625,281.
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	625,281.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	9,379.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	615,902.
6	Minimum investment return. Enter 5% of line 5	6	30,795.

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	30,795.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	286.
b	Income tax for 2010 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	286.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	30,509.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	30,509.
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	30,509.

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	30,000.
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	30,000.
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	30,000.

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.

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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				30,509.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005	518.			
b From 2006	2,005.			
c From 2007	5,567.			
d From 2008	5,532.			
e From 2009	7,941.			
f Total of lines 3a through e	21,563.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 30,000.				
a Applied to 2009, but not more than line 2a			0.	
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				30,000.
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))	509.			509.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	21,054.			
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				0.
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	9.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	21,045.			
10 Analysis of line 9:				
a Excess from 2006	2,005.			
b Excess from 2007	5,567.			
c Excess from 2008	5,532.			
d Excess from 2009	7,941.			
e Excess from 2010				

N/A

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

☐ 4942(1)(3) or ☐ 4942(1)(5)

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(i)(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(i)(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.)
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1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

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

c Any submission deadlines:

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

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

Total	▶ 3b	0.
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FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SMITH BARNEY 05495	0.	0.	0.
SMITH BARNEY 06849	9,412.	0.	9,412.
TOTAL TO FM 990-PF, PART I, LN 4	9,412.	0.	9,412.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
TYCO INTL LITIGATION	38.	38.	0.
WORLDCOM LITIGATION	11.	11.	0.
OTHER INCOME	19.	19.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	68.	68.	0.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	6,000.	6,000.	0.	0.
TO FM 990-PF, PG 1, LN 16A	6,000.	6,000.	0.	0.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	5,050.	5,050.	0.	0.
BOOKKEEPING FEES	375.	375.	0.	0.
TO FORM 990-PF, PG 1, LN 16B	5,425.	5,425.	0.	0.

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
SMITH BARNEY INVESTMENT FEES	8,765.	8,765.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	8,765.	8,765.	0.	0.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX PAID	178.	178.	0.	0.
TO FORM 990-PF, PG 1, LN 18	178.	178.	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
DUES AND SUBSCRIPTIONS	735.	0.	0.	0.
OTHER	714.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 23	1,449.	0.	0.	0.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 8

DESCRIPTION	AMOUNT
VARIOUS COST BASIS ADJ. TO INVESTMENTS INCLUDING BOND ACCRETION & AMORT.	2,227.
TOTAL TO FORM 990-PF, PART III, LINE 3	2,227.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	9
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED STATEMENTS	X		47,493.	48,209.
TOTAL U.S. GOVERNMENT OBLIGATIONS			47,493.	48,209.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			47,493.	48,209.

FORM 990-PF	CORPORATE STOCK	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED STATEMENTS	305,273.	429,932.
TOTAL TO FORM 990-PF, PART II, LINE 10B	305,273.	429,932.

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FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 13

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JOHN FALKENBURY	PRESIDENT 1.00	0.	0.	714.
JEANE FALKENBURY	VICE PRESI 1.00	0.	0.	0.
PAMELA ALBRIGHT	SECRETARY 1.00	0.	0.	0.
HARRY STATHOPOULOS	ASSISTANT 1.00	0.	0.	0.
PAUL FALKENBURY	BOARD MEMB 1.00	0.	0.	0.
STEPHEN D.FALKENBURY, III	BOARD MEMB 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	714.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 14

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
CAROLINAS FREEDOM FOUNDATION 2718 PHILLIPS GATE DR CHARLOTTE, NC 282102703	N/A CHARITABLE DONATION	501(C)(3)	500.
CONCORD ROTARY FOUNDATION P.O. BOX 1387 CONCORD, NC 28025	N/A CHARITABLE DONATION	501(C)(3)	100.
GREATER CABARRUS READING ASSOCIATION CONCORD, NC 28027	N/A CHARITABLE DONATION	501(C)(3)	100.
HOSPITALITY HOUSE P.O. BOX 36891 CHARLOTTE, NC 28236	N/A CHARITABLE DONATION	501(C)(3)	1,150.
PALESTINE CHILDREN'S RELIEF FUND P.O. BOX 1926 KENT, OH 44240	N/A CHARITABLE DONATION	501(C)(3)	500.
ST. PETER'S HEAVENS DOOR CAMPAIGN 115 WEST SEVENTH ST. CHARLOTTE, NC 28202	N/A CHARITABLE DONATION	501(C)(3)	5,000.
THE CITADEL BRIGADIER FOUNDATION 171 MOULTRIE ST. CHARLESTON, SC 29409	N/A CHARITABLE DONATION	501(C)(3)	3,000.
THE CITADEL SCHOOL OF HUMANITIES 171 MOULTRIE ST. CHARLESTON, SC 29409	N/A CHARITABLE DONATION	501(C)(3)	5,000.

THOMPSON CHILDREN'S HOME P.O. BOX 25129 CHARLOTTE, NC 28229	N/A CHARITABLE DONATION	501(C)(3)	1,000.
USO OF NORTH CAROLINA P.O. BOX 91536 RALEIGH, NC 27675	N/A CHARITABLE DONATION	501(C)(3)	5,300.
WILLOW SPRINGS ELEMENTARY SCHOOL PTA 6800 DWIGHT ROWLAND RD WILLOW SPRING, NC 275929342	N/A CHARITABLE DONATION	501(C)(3)	800.
CORNELIUS PRESBYTERIAN CHURCH 21209 CATAWBA AVENUE CORNELIUS, NC 28031	N/A CHARITABLE DONATION	501(C)(3)	500.
MECKLENBURG KIWANIS CHILD 201 SOUTH MCDOWELL STREET CHARLOTTE, NC 28204	N/A CHARITABLE DONATION	501(C)(3)	300.
CANNON SCHOOL 5801 POPLAR TENT ROAD CONCORD, NC 28027	N/A CHARITABLE DONATION	501(C)(3)	5,000.
THE CITADEL FOUNDATION 171 MOULTRIE ST. CHARLESTON, SC 29409	N/A CHARITABLE DONATION	501(C)(3)	750.
MYERS PARK IB PAC 2400 COLONY ROAD CHARLOTTE, NC 28209	N/A CHARITABLE DONATION	501(C)(3)	1,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

30,000.

Reserved Client Statement

December 1 - December 31, 2010

Ref 00008369 00061038

MorganStanley
SmithBarney

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Gain/loss summary	This period	This year
Original Realized gain or (loss)	\$ 14,248 33	\$ 21,584 74 LT \$ 3,190 82 ST
Adjusted Realized gain or (loss)	14,248 33	21,713 84 LT 3,463 84 ST
Ordinary income (realized)	3 69	4 12
Capital gain or (loss) (realized)	14,244 64	25,173 56
Unrealized gain or (loss) to date	125,375 33	

PORTFOLIO DETAILS

Your holdings are valued using the most current prices available to Citigroup Global Markets Inc. (CGMI). In most cases, these values are as of 12/31/10, but in some cases CGMI's sources are unable to provide timely information. To see the date of the most recent price update, please view your account online at www.smithbarney.com.

Securities purchased or sold are included or excluded in this section as of the trade-date. This section may include securities that have not settled as of this statement closing date. Please see the "Unsettled Purchases/Sales" section for more information. Dividend yield is the estimated annual income, assuming the current dividend, divided by the security's market price at the end of the statement period. We do not guarantee the accuracy of the prices reflected on the statement nor do these prices represent levels at which securities can be bought or sold. Please Note: unrealized gain/(loss) is being shown for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Money fund

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall. Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below \$1.00 per share. In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account.

Number of shares	Description	Current value	Accrued dividends	Annualized % dividend yield	Anticipated income (annualized)
6,610 91	WESTERN ASSET MONEY MARKET FUND CLASS A	\$ 6,610 91		06%	\$ 3 96
Total money fund		\$ 6,610 91	\$ 0 00	05%	\$ 3 96

Common stocks & options

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
35	COVIDIEN PLC DUBLIN-US	COV	01/31/02	\$ 1,569 68	\$ 44 848	\$ 45 66	\$ 1,598 10	\$ 28 42 LT	1 752%	\$ 28 00

Reserved Client Statement

December 1 - December 31, 2010

MorganStanley
SmithBarney

Ref 00008369 00061039

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
180	SEAGATE TECHNOLOGY PLC	STX	11/21/08	\$ 784.78	\$ 4.359	\$ 15.03	\$ 2,705.40	\$ 1,920.62	LT	
30			08/23/10	328.81	10.96	15.03	450.90	122.09	ST	
210				1,113.59	5.303		3,156.30	2,042.71		
5	ALLIED WORLD ASSURANCE CO	AWH	03/19/07	209.54	41.908	59.44	297.20	87.66	LT	
10	HLGGS		03/29/07	426.19	42.619	59.44	594.40	168.21	LT	
5			04/16/07	215.00	43.00	59.44	297.20	82.20	LT	
2			04/08/10	88.60	44.30	59.44	118.88	30.28	ST	
3			04/09/10	132.99	44.33	59.44	178.32	45.33	ST	
6			05/14/10	270.56	45.093	59.44	356.64	86.08	ST	
4			05/17/10	181.00	45.25	59.44	237.76	56.76	ST	
35				1,523.88	43.539		2,080.40	556.52		28.00
108	WEATHERFORD INTERNATIONAL LTD -CHF	WFT	10/17/08	1,629.84	15.091	22.80	2,462.40	832.56	LT	
40			11/21/08	409.53	10.238	22.80	912.00	502.47	LT	
35			01/28/10	561.66	16.047	22.80	798.00	236.34	ST	
183				2,601.03	14.213		4,172.40	1,571.37		
7	TYCO ELECTRONICS LTD	TEL	01/31/02	287.90	41.288	35.40	247.80	(40.10)	LT	
73			11/09/07	2,387.76	32.869	35.40	2,584.20	196.44	LT	
20			11/21/08	288.17	14.568	35.40	708.00	419.83	LT	
100				2,963.83	29.638		3,540.00	576.17		1,807
80	TYCO INTL LTD CHF	TYC	11/08/07	3,284.60	41.057	41.44	3,315.20	30.60	LT	64.00
25			11/21/08	444.34	17.773	41.44	1,036.00	591.66	LT	
105				3,728.94	35.514		4,351.20	622.26		2,027
40	UBS AG (NEW)	UBS	11/05/03	1,117.12	27.928	16.47	658.80	(458.32)	LT	
60			11/21/08	574.80	9.58	16.47	988.20	413.40	LT	
100				1,691.92	16.919		1,647.00	(44.92)		
25	ASML HLDG NV NEW YORK REG Exchange rate 1.3363000 Shares traded in: EURO Monetary Unit	ASML	09/19/08	529.68	21.187	38.34	958.50	428.82	LT	594
15	CORE LABORATORIES NV-USD	CLB	01/17/01	167.81	11.187	89.05	1,335.75	1,167.94	LT	269
70	AT&T INC	T	02/09/10	1,771.00	25.30	29.38	2,056.60	285.60	ST	5,854
65	AKAMAI TECHNOLOGIES INC	AKAM	07/30/09	1,073.41	16.514	47.05	3,058.25	1,984.84	LT	120.40
30			07/30/09	495.42	16.514	47.05	1,411.50	916.08	LT	
15			08/18/09	267.66	17.843	47.05	705.75	438.09	LT	
110				1,836.49	16.695		5,175.50	3,339.01		
59	AMAZON COM INC	AMZN	05/03/05	1,962.64	33.265	180.00	10,620.00	8,657.36	LT	

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options continued

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
10	AMGEN INC	AMGN	04/15/08	\$ 431 59	\$ 43 158	\$ 54 90	\$ 549 00	\$ 117 41 LT		
80			04/16/08	3,458 09	43 226	54 90	4,392 00	933 91 LT		
17			02/08/10	973 73	57 278	54 90	933 30	(40 43) ST		
107				4,863 41	45 452		5,874 30	1,010 89		
20	ANADARKO PETROLEUM CORP	APC	11/24/03	444 20	22 209	76 16	1,523 20	1,079 00 LT		
22			10/24/08	640 06	29 093	76 16	1,675 52	1,035 46 LT		
13			10/27/08	365 57	28 12	76 16	990 08	624 51 LT		
55				1,449 83	26 361		4,188 80	2,738 97	472	19 80
20	ANHEUSER-BUSCH INBEV SPONS ADR	BUD	12/30/10	1,146 47	57 323	57 09	1,141 80	(4 67) ST	676	7 72
20	APACHE CORP	APA	07/26/10	1,900 21	95 01	119 23	2,384 60	484 39 ST	503	12 00
10	APPLIED MATERIALS INC DELAWARE	AMAT	11/22/04	170 36	17 036	14 05	140 50	(29 86) LT		
15			02/01/05	244 20	16 28	14 05	210 75	(33 45) LT		
155			04/29/08	2,948 95	19 025	14 05	2,177 75	(771 20) LT		
40			11/21/08	333 46	8 336	14 05	562 00	228 54 LT		
220				3,696 97	16 804		3,091 00	(605 97)	1 992	61 60
60	ATLAS COPCO AB SPONS ADR NEW RPSTG CL B -USD	ATLCY	09/17/09	730 06	12 167	22 53	1,351 80	621 74 LT	1 211	16 38
35	AUTODESK INC	ADSK	02/27/08	1,154 99	32 999	38 20	1,337 00	182 01 LT		
35			11/21/08	497 93	14 226	38 20	1,337 00	839 07 LT		
70				1,652 92	23 613		2,674 00	1,021 08		
10	AXA S A SPONS ADR	AXAHY	05/01/02	212 53	21 252	16 65	166 50	(46 03) LT		
50			09/26/02	537 04	10 74	16 65	832 50	295 46 LT		
10			11/21/08	150 20	15 02	16 65	166 50	16 30 LT		
70				899 77	12 854		1,165 50	265 73	3 513	40 95
20	BASF SE COMMON STOCK	BASFY	08/14/01	405 00	20 25	79 96	1,599 20	1,194 20 LT	2 022	32 34
2 5	THE BABCOCK & WILCOX COMPANY	BWC	09/02/08	75 28	30 112	25 59	63 98	(11 30) LT		
5			09/04/08	136 69	27 338	25 59	127 95	(8 74) LT		
9			09/12/08	264 47	29 385	25 59	230 31	(34 16) LT		
28 5			11/05/08	455 31	15 975	25 59	729 32	274 01 LT		
45				931 75	20 706		1,151 56	219 81		
40	BAKER HUGHES INC	BHI	11/05/08	1,384 91	34 622	57 17	2,286 80	901 89 LT		
5			06/02/10	196 79	39 359	57 17	285 85	89 06 ST		
45				1,581 70	35 149		2,572 65	990 95	1 049	27 00

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options continued

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
15	BANK OF AMERICA CORP	BAC	12/08/08	\$ 254.83	\$ 16.988	\$ 13.34	\$ 200.10	(\$ 54.73) LT		
80			02/09/10	1,162.17	14.527	13.34	1,067.20	(94.97) ST		
95				1,417.00	14.916		1,267.30	(149.70)	299	380
10	BANK NEW YORK MELLON CORP	BK	08/24/10	243.82	24.382	30.20	302.00	58.18 ST		
12			08/25/10	289.86	24.154	30.20	362.40	72.54 ST		
12			08/26/10	290.21	24.184	30.20	362.40	72.19 ST		
10			08/27/10	245.25	24.525	30.20	302.00	56.75 ST		
11			08/30/10	269.55	24.504	30.20	332.20	62.65 ST		
10			08/31/10	241.84	24.183	30.20	302.00	60.16 ST		
7			09/01/10	174.74	24.963	30.20	211.40	36.66 ST		
4			09/02/10	100.76	25.189	30.20	120.80	20.04 ST		
14			09/03/10	363.13	25.938	30.20	422.80	59.67 ST		
90				2,219.16	24.657		2,718.00	498.84	1192	3240
110	BED BATH & BEYOND	BBBY	03/06/08	3,090.32	28.093	49.15	5,406.50	2,316.18 LT		
50	BERKSHIRE HATHAWAY INC CL B	BRKB	03/05/09	2,307.78	46.155	80.11	4,005.50	1,697.72 LT		
5	BHP BILLITON LTD SPONS	BHP	03/25/09	228.07	45.613	92.92	464.60	236.53 LT		
10	ADR		12/23/09	753.87	75.386	92.92	929.20	175.33 LT		
15				981.94	65.463		1,393.80	411.86	1872	2610
20	BIOGEN IDEC INC	BIIB	01/11/01	1,120.00	56.00	67.05	1,341.00	221.00 LT		
30			01/17/01	1,617.50	53.916	67.05	2,011.50	394.00 LT		
75			12/04/02	2,410.07	32.134	67.05	5,028.75	2,618.68 LT		
40			04/15/08	2,595.86	64.896	67.05	2,682.00	86.14 LT		
165				7,743.43	46.93		11,063.25	3,319.82		
5	BLACKROCK INC	BLK	03/27/09	650.99	130.198	190.58	952.90	301.91 LT		
1			03/27/09	130.20	130.198	190.58	190.58	60.38 LT		
6			03/30/09	756.26	126.042	190.58	1,143.48	387.22 LT		
3			05/01/09	443.94	147.98	190.58	571.74	127.80 LT		
15			05/21/10	2,463.97	164.264	190.58	2,858.70	394.73 ST		
30				4,445.36	148.179		5,717.40	1,272.04	2098	120.00
25	BOEING CO	BA	10/19/05	1,690.14	67.605	65.26	1,631.50	(58.64) LT		
10			08/19/08	629.54	62.953	65.26	652.60	23.06 LT		
35				2,319.68	66.277		2,284.10	(35.58)	2574	58.80
63	BROADCOM CORP CL A	BRCM	07/14/06	1,768.92	28.078	43.55	2,743.65	974.73 LT	734	2016
65	CRH PLC ADR-USD	CRH	08/14/01	1,166.75	17.95	20.80	1,352.00	185.25 LT	3875	52.39

MorganStanley
SmithBarney

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
60	CVS CAREMARK CORP	CVS	10/24/08	\$ 1,680.98	\$ 28.016	\$ 34.77	\$ 2,086.20	\$ 405.22	L.T.	
40			11/06/08	1,198.63	29.965	34.77	1,390.80	192.17	L.T.	
44			11/19/09	1,361.48	30.942	34.77	1,529.88	168.40	L.T.	
21			11/20/09	660.27	31.441	34.77	730.17	69.90	L.T.	
165				4,901.36	29.705		5,737.05	835.69	1,006	57.75
105	CABLEVISION SYSTEMS CORP CABLEVISION NY GROUP CL A	CVC	09/12/02	50.18	477	33.84	3,553.20	3,503.02	L.T.	52.50
35	CANON INC ADR	CAJ	08/14/01	821.80	23.48	51.34	1,796.90	975.10	L.T.	41.76
10	CARNIVAL CORP (PAIRED STOCK)	CCL	03/24/09	234.03	23.402	46.11	461.10	227.07	L.T.	
30			05/01/09	782.70	26.09	46.11	1,383.30	600.60	L.T.	
40				1,016.73	25.418		1,844.40	827.67	867	16.00
10	CELGENE CORP	CELG	12/02/08	495.07	49.507	59.14	591.40	96.33	L.T.	
15			12/03/08	767.97	51.197	59.14	887.10	119.13	L.T.	
25			02/02/09	1,333.36	53.334	59.14	1,478.50	145.14	L.T.	
25			03/06/09	1,018.07	40.722	59.14	1,478.50	460.43	L.T.	
25			02/09/10	1,389.65	55.586	59.14	1,478.50	88.85	S.T.	
100				5,004.12	50.041		5,914.00	909.88		
10	CHUBB CORP	CB	04/10/02	389.90	38.989	59.64	596.40	206.50	L.T.	
20			12/27/02	524.12	26.206	59.64	1,192.80	668.68	L.T.	
20			11/26/07	1,033.52	51.675	59.64	1,192.80	159.28	L.T.	
10			02/05/08	519.56	51.956	59.64	596.40	76.84	L.T.	
60				2,467.10	41.118		3,578.40	1,111.30	2,481	88.80
150	CISCO SYS INC	CSCO	03/09/01	3,121.88	20.812	20.23	3,034.50	(87.38)	L.T.	
75			04/23/01	1,278.75	17.05	20.23	1,517.25	238.50	L.T.	
100			03/04/02	1,626.55	16.265	20.23	2,023.00	396.45	L.T.	
50			05/01/08	1,305.08	26.101	20.23	1,011.50	(293.58)	L.T.	
60			07/24/08	1,310.74	21.845	20.23	1,213.80	(96.94)	L.T.	
435				8,643.00	19.869		8,800.05	157.05		
22	CITRIX SYSTEMS INC	CTXS	11/01/10	1,414.86	64.311	68.41	1,505.02	90.16	S.T.	
45	COCA-COLA CO	KO	03/09/01	2,317.95	51.51	65.77	2,959.65	641.70	L.T.	
30			10/16/02	1,430.21	47.673	65.77	1,973.10	542.89	L.T.	
15			11/27/02	694.29	46.286	65.77	986.55	292.26	L.T.	
40			02/19/04	2,047.28	51.182	65.77	2,630.80	583.52	L.T.	
130				6,489.73	49.921		8,550.10	2,060.37	2,675	228.80

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MorganStanley
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Ref 00008369 00061043

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
135	COMCAST CORP CL A - SPL	CMCSK	04/16/02	\$ 2,675.65	\$ 19.819	\$ 20.81	\$ 2,809.35	\$ 133.70	LT	
55			04/15/05	1,178.60	21.429	20.81	1,144.55	(34.05)	LT	
80			10/05/09	1,165.02	14.562	20.81	1,664.80	499.78	LT	
270				5,019.27	18.59		5,618.70	599.43	1816	102.06
2	CONOCOPHILLIPS	COP	12/30/09	101.72	50.861	68.10	136.20	34.48	LT	
33			12/31/09	1,687.47	51.135	68.10	2,247.30	559.83	ST	
35				1,789.19	51.12		2,383.50	594.31	323	77.00
20	CREE INC	CREE	12/13/02	382.20	19.11	65.89	1,317.80	935.60	LT	
75	DANONE SPONS ADR	DANOY	01/11/01	532.50	7.10	12.65	948.75	416.25	LT	15.15
19	DEERE & CO	DE	12/03/09	1,033.11	54.374	83.05	1,577.95	544.84	LT	
10			12/04/09	550.61	55.06	83.05	830.50	279.89	LT	
5			02/05/10	247.45	49.49	83.05	415.25	167.80	ST	
34				1,831.17	53.858		2,823.70	992.53	1685	47.60
5	DEVON ENERGY CORP NEW	DVN	07/17/09	278.25	55.649	78.51	392.55	114.30	LT	
30			08/11/09	1,927.48	64.249	78.51	2,355.30	427.82	LT	
35				2,205.73	63.021		2,747.85	542.12	815	22.40
5	DIAGEO PLC SPON ADR-NEW	DEO	05/08/02	267.44	53.489	74.33	371.65	104.21	LT	
10			09/26/02	501.11	50.111	74.33	743.30	242.19	LT	
15				768.55	51.237		1,114.95	346.40	318	35.46
205	WALT DISNEY CO	DIS	10/31/02	3,388.91	16.531	37.51	7,689.55	4,300.64	LT	1,066
40	DIRECTV CL A	DTV	11/21/08	380.35	9.51	39.93	1,597.20	1,216.85	LT	82.00
3	DOLBY LABORATORIES INC	DLB	10/16/08	85.40	28.468	66.70	200.10	114.70	LT	
8	CLASS A		10/28/08	233.78	29.222	66.70	533.60	299.82	LT	
14			10/29/08	416.36	29.739	66.70	933.80	517.44	LT	
25				735.54	29.422		1,667.50	931.96		
30	DOVER CORP	DOV	08/17/07	1,473.88	49.129	58.45	1,753.50	279.62	LT	1881
30	EBAY INC	EBAY	05/08/06	948.05	31.601	27.83	834.90	(113.15)	LT	33.00
160			03/14/07	4,901.79	30.636	27.83	4,452.80	(448.99)	LT	
40			11/06/07	1,357.90	33.947	27.83	1,113.20	(244.70)	LT	
20			02/01/08	577.02	28.851	27.83	556.60	(20.42)	LT	
40			02/04/08	1,155.89	28.897	27.83	1,113.20	(42.69)	LT	
30			07/25/08	756.46	25.215	27.83	834.90	78.44	LT	
320				9,697.11	30.303		8,905.60	(791.51)		
11	EMCOR GROUP INC	EME	08/31/10	248.50	22.591	28.98	318.78	70.28	ST	

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MorganStanley
SmithBarney

THE STEPHEN D FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
5	EMERSON ELECTRIC CO	EMR	03/09/01	\$ 173.57	\$ 34.715	\$ 57.17	\$ 285.85	\$ 112.28	LT	
20			11/12/03	598.22	29.91	57.17	1,143.40	545.18	LT	
20			01/06/05	678.80	33.94	57.17	1,143.40	464.60	LT	
45				1,450.59	32.235		2,572.65	1,122.06	2.413	62.10
55	ERICSSON L M TEL CO CL B	ERIC	09/17/08	540.17	9.821	11.53	634.15	93.98	LT	
26	ADR NEW -USD-		12/22/09	237.74	9.143	11.53	299.78	62.04	LT	
29			12/23/09	288.40	9.255	11.53	334.37	65.97	LT	
37			01/25/10	362.58	9.799	11.53	426.61	64.03	ST	
73			01/26/10	710.06	9.726	11.53	841.69	131.63	ST	
220				2,118.95	9.632		2,536.60	417.65	1.682	42.68
190	EXPEDIA INC	EXPE	11/21/08	1,227.40	6.46	25.09	4,767.10	3,539.70	LT	53.20
15	FIRST SOLAR INC	FSLR	12/02/08	1,709.91	113.994	130.14	1,952.10	242.19	LT	
5			02/25/09	548.87	109.774	130.14	650.70	101.83	LT	
14			07/01/10	1,614.87	115.347	130.14	1,821.96	207.09	ST	
34				3,873.65	113.931		4,424.76	551.11		
15	FLUOR CORP NEW	FLR	11/19/08	498.59	33.239	66.26	993.90	495.31	LT	
25			11/20/08	761.74	30.469	66.26	1,656.50	894.76	LT	
20			05/01/09	753.44	37.672	66.26	1,325.20	571.76	LT	
60				2,013.77	33.563		3,975.60	1,961.83	754	30.00
110	FOREST LABORATORIES INC	FRX	01/11/01	3,253.61	29.578	31.98	3,517.80	264.19	LT	
3	FRANKLIN RESOURCES INC	BEN	10/16/08	184.09	61.362	111.21	333.63	149.54	LT	
9			10/31/08	609.46	67.717	111.21	1,000.89	391.43	LT	
5			11/21/08	259.80	51.96	111.21	556.05	296.25	LT	
17				1,053.35	61.962		1,890.57	837.22	899	17.00
15	FREEPORT MCMORAN COPPER & GOLD CL B	FCX	02/20/09	424.77	28.318	120.09	1,801.35	1,376.58	LT	30.00
45	GAP INC DELAWARE	GPS	01/10/08	809.60	17.991	22.14	996.30	186.70	LT	
15			10/21/10	285.17	19.011	22.14	332.10	46.93	ST	
60				1,094.77	18.246		1,328.40	233.63	1.806	24.00
30	GENERAL ELECTRIC CO	GE	05/01/02	944.17	31.472	18.29	548.70	(395.47)	LT	
20			10/14/02	485.82	24.291	18.29	365.80	(120.02)	LT	
40			11/20/02	978.07	24.451	18.29	731.60	(246.47)	LT	
240			11/21/08	3,360.00	14.00	18.29	4,389.60	1,029.60	LT	
330				5,768.06	17.479		6,035.70	267.64	3.061	184.80
22	GENZYME CORP	GENZ	04/30/02	889.50	40.432	71.20	1,566.40	676.90	LT	

Common stocks & options continued

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
10	GLAXOSMITHKLINE PLC SP ADR	GSK	08/14/01	\$ 553.00	\$ 55.30	\$ 39.22	\$ 392.20	(\$ 160.80) LT		
10			11/07/07	507.20	50.72	39.22	392.20	(115.00) LT		
25			01/20/10	1,050.52	42.02	39.22	980.50	(70.02) ST		
45				2,110.72	46.905		1,764.90	(345.82)	5.096	89.96
3	GOOGLE INC	GOOG	09/22/08	1,326.29	442.095	593.97	1,781.91	455.62 LT		
2	CLASS A		09/23/08	872.26	436.13	593.97	1,187.94	315.68 LT		
5			11/21/08	1,309.60	261.92	593.97	2,969.85	1,660.25 LT		
10				3,508.15	350.815		5,939.70	2,431.55		
45	GRUPO TELEVISIA SA DE CV SPON ADR	TV	08/14/01	475.09	10.557	25.93	1,166.85	691.76 LT	593	6.93
20	HSBC HLDG PLC SP ADR NEW	HBC	08/14/01	1,229.40	61.47	51.04	1,020.80	(208.60) LT	3.33	34.00
50	HALLIBURTON CO HOLDINGS CO	HAL	11/05/08	974.38	19.487	40.83	2,041.50	1,067.12 LT		
15			11/21/08	231.00	15.40	40.83	612.45	381.45 LT		
4			12/30/09	119.51	29.876	40.83	163.32	43.81 LT		
1			12/31/09	30.36	30.363	40.83	40.83	10.47 ST		
70				1,355.25	19.361		2,858.10	1,502.85	881	25.20
12	HESS CORP	HES	06/24/09	635.24	52.936	76.54	918.48	283.24 LT		
8			07/20/09	413.21	51.651	76.54	612.32	199.11 LT		
10			08/06/09	551.78	55.177	76.54	765.40	213.62 LT		
7			08/07/09	386.32	55.188	76.54	535.78	149.46 LT		
2			06/10/10	103.61	51.804	76.54	153.08	49.47 ST		
1			06/11/10	51.98	51.977	76.54	76.54	24.56 ST		
40				2,142.14	53.554		3,061.60	919.46	522	16.00
50	HOME DEPOT INC	HD	12/05/02	1,303.00	26.059	35.06	1,753.00	450.00 LT		
70			01/08/03	1,479.56	21.136	35.06	2,454.20	974.64 LT		
50			06/10/08	1,334.16	26.683	35.06	1,753.00	418.84 LT		
65			08/07/08	1,599.60	24.609	35.06	2,278.90	679.30 LT		
235				5,716.32	24.325		8,239.10	2,522.78	2.695	222.08
40	HONDA MOTOR CO LTD ADR-NEW	HMC	10/20/04	947.89	23.697	39.50	1,580.00	632.11 LT	1.225	19.36
10	HONEYWELL INTL INC	HON	08/06/03	275.66	27.566	53.16	531.60	255.94 LT		
30			09/10/03	841.36	28.045	53.16	1,594.80	753.44 LT		
10			11/05/08	317.99	31.798	53.16	531.60	213.61 LT		
50				1,435.01	28.70		2,658.00	1,222.99	2.276	60.50
435	HONG KONG&CHINA GAS SP ADR	HOKCY	08/14/01	377.34	888	2.33	1,013.55	636.21 LT	1.802	18.27
25	HUTCHISON WHAMPOA LTD-ADR	HUWHY	08/14/01	1,105.00	44.20	51.41	1,285.25	180.25 LT	2.083	26.78

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MorganStanley
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Ref 00008369 00061046

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
20	ICON PLC SPONSORED ADR	ICLR	05/17/10	\$ 569.80	\$ 28.49	\$ 21.90	\$ 438.00	(\$ 131.80) ST		
6			06/10/10	160.49	26.747	21.90	131.40	(29.09) ST		
1			06/14/10	28.27	28.272	21.90	21.90	(6.37) ST		
2			06/15/10	58.31	29.154	21.90	43.80	(14.51) ST		
3			06/16/10	89.96	29.988	21.90	65.70	(24.26) ST		
32				906.83	28.338		700.80	(206.03)		
29	IMMUNOGEN INC	IMGN	10/20/10	228.44	7.877	9.26	268.54	40.10 ST		
11	ING GROEP NV SPONS ADR	ING	11/21/08	75.55	6.868	9.79	107.69	32.14 LT		
144			12/17/09	902.34	6.266	9.79	1,409.76	507.42 LT		
155				977.89	6.309		1,517.45	539.56		
15	INTEL CORP	INTC	06/12/02	315.90	21.06	21.03	315.45	(.45) LT		
80			01/09/03	1,380.10	17.251	21.03	1,662.40	302.30 LT		
95				1,696.00	17.853		1,997.85	301.85	2.995	59.85
75	ISIS PHARMACEUTICALS	ISIS	11/01/10	674.66	8.995	10.12	759.00	84.34 ST		
40	JPMORGAN CHASE & CO	JPM	04/23/01	1,142.55	28.639	42.42	1,696.80	554.25 LT		
50			05/20/04	1,793.79	35.97	42.42	2,121.00	327.21 LT		
10			10/29/10	375.30	37.53	42.42	424.20	48.90 ST		
100				3,311.64	33.116		4,242.00	930.36	4.71	20.00
5	JACOBS ENGINEERING GROUP INC	JEC	12/23/08	217.22	43.444	45.85	229.25	12.03 LT		
5			01/13/09	238.23	47.646	45.85	229.25	(8.98) LT		
5			08/17/09	212.63	42.525	45.85	229.25	16.62 LT		
15				668.08	44.539		687.75	19.67		
100	JOHNSON & JOHNSON	JNJ	01/11/01	4,654.69	46.546	61.85	6,185.00	1,530.31 LT		
60			02/04/03	3,139.34	52.322	61.85	3,711.00	571.66 LT		
160				7,794.03	48.713		9,896.00	2,101.97	3.492	345.60
15	JONES LANG LASALLE INC	JLL	06/19/09	486.44	32.429	83.92	1,258.80	772.36 LT		
5			07/01/09	166.02	33.204	83.92	419.60	253.58 LT		
20				652.46	32.623		1,678.40	1,025.94	2.38	4.00
34	JUNIPER NETWORKS INC	JNPR	10/24/08	572.30	16.832	36.92	1,255.28	682.98 LT		
27			11/06/08	453.13	16.782	36.92	996.84	543.71 LT		
14			11/07/08	239.57	17.112	36.92	516.88	277.31 LT		
100			02/19/09	1,491.71	14.917	36.92	3,692.00	2,200.29 LT		
175				2,756.71	15.753		6,451.00	3,704.29		
170	KEYCORP -NEW	KEY	10/28/09	948.55	5.579	8.85	1,504.50	555.95 LT	4.51	6.80

Reserved Client Statement

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MorganStanley
SmithBarney

Ref. 00009369 00061047

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
40	KONINKLIJKE PHILIPS ELECTRONICS NS SPON ADR NEW	PHG	08/14/01	\$ 1,088 80	\$ 27 22	\$ 30 70	\$ 1,228 00	\$ 139 20 LT	2 583 %	\$ 31 72
40	L 3 COMMUNICATIONS HLDGS INC	LLL	02/20/03	1,500.44	37 51	70 49	2,819 60	1,319 16 LT	2 269	64.00
20	LAWSON SOFTWARE INC NEW	LWSN	03/11/08	145 00	7 25	9 25	185 00	40 00 LT		
10			03/13/08	72 43	7 242	9 25	92 50	20 07 LT		
5			03/17/08	36 13	7 226	9 25	46 25	10 12 LT		
20			03/20/08	145 00	7 25	9 25	185 00	40 00 LT		
15			11/21/08	44 52	2 968	9 25	138 75	94 23 LT		
70				443 08	6 33		647 50	204 42		
10	LIBERTY GLOBAL INC CLASS A	LBTYA	12/13/02	149.73	14 973	35 38	353 80	204 07 LT		
60	LIBERTY MEDIA HLDG CORP	LINTA	12/13/02	895 21	14 92	15 77	946 20	50 99 LT		
40	INTERACTIVE SER A		03/14/08	637 11	15 927	15 77	630 80	(6 31) LT		
100				1,532 32	15 323		1,577 00	44 68		
12	LIBERTY MEDIA HLDG CORP CAP	LCAPA	12/13/02	105 56	8 796	62 56	750 72	645 16 LT		
18	SER A		05/01/09	220 85	12 269	62 56	1,126 08	905 23 LT		
30				326 41	10 88		1,876 80	1,550 39		
15	MADISON SQUARE GARDEN INC	MSG	08/12/02	5 89	399	25 78	386 70	380 81 LT		
1	MATTEL INC DE	MAT	10/15/09	19 50	19 50	25 43	25 43	5 93 LT		
44			12/22/09	879 94	19 998	25 43	1,118 92	238 98 LT		
5			10/19/10	114 60	22 919	25 43	127 15	12 55 ST		
8			10/27/10	185 19	23 148	25 43	203 44	18 25 ST		
5			10/28/10	115 75	23 149	25 43	127 15	11 40 ST		
63				1,314 98	20 873		1,602 09	287 11	3 263	52 29
15	MCDERMOTT INTERNATIONAL INC	MDR	09/02/08	246 52	16 434	20 69	310 35	63 83 LT		
10			09/04/08	149 21	14 921	20 69	206 90	57 69 LT		
18			09/12/08	288 70	16 038	20 69	372 42	83 72 LT		
57			11/05/08	497 02	8 719	20 69	1,179 33	682 31 LT		
100				1,181 45	11 815		2,069 00	887 55		
20	MERCK & CO INC NEW	MRK	03/17/08	838 18	41 909	36 04	720 80	(117 38) LT		
60			05/01/09	1,451 24	24 187	36 04	2,162 40	711 16 LT		
80				2,289 42	28 618		2,883 20	593 78	4 217	121 60
12	METTLER TOLEDO INTL INC	MTD	09/27/02	326 38	27 198	151 21	1,814 52	1,488 14 LT		
260	MICROSOFT CORP	MSFT	04/28/06	6,288 88	24 188	27 91	7,256 60	967 72 LT		
40			10/06/10	975 97	24 399	27 91	1,116 40	140 43 ST		
300				7,264 85	24 216		8,373 00	1,108 15	2 293	192 00

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MorganStanley
SmithBarney

Ref 00008369 00061048

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
185	MITSUBISHI UFJ FINANCIAL GROUP INC ADR	MTU	05/20/04	\$ 1,487 24	\$ 8 039	\$ 5 41	\$ 1,000 85	(\$ 486 39) LT		
10			07/18/05	84 35	8 434	5 41	54 10	(30 25) LT		
35			11/21/08	176 75	5 05	5 41	189 35	12 60 LT		
230				1,748 34	7 601		1,244 30	(504 04)	2 347	29 21
10	MONSANTO CO NEW	MON	01/21/10	811 03	81 102	69 64	696 40	(114 63) ST		
6			01/27/10	482 12	77 02	69 64	417 84	(44 28) ST		
9			01/28/10	695 28	77 252	69 64	626 76	(68 52) ST		
10			02/05/10	765 41	76 54	69 64	696 40	(69 01) ST		
35				2,733 84	78 11		2,437 40	(296 44)	1 608	39 20
9	MORGAN STANLEY	MS	10/01/08	275 66	30 628	27 21	244 89	(30 77) LT		
15			12/31/09	445 12	29 674	27 21	408 15	(36 97) ST		
6			01/13/10	189 44	31 573	27 21	163 26	(26 18) ST		
45			01/21/10	1,313 01	29 178	27 21	1,224 45	(88 56) ST		
15			04/09/10	464 10	30 939	27 21	408 15	(55 95) ST		
20			10/20/10	507 03	25 351	27 21	544 20	37 17 ST		
110				3,194 36	29 04		2,993 10	(201 26)	735	22 00
40	NASDAQ OMX GROUP INC	NDAQ	05/08/08	1,559 91	38 997	23 73	949 20	(610 71) LT		
70			06/04/08	2,277 71	32 538	23 73	1,661 10	(616 61) LT		
45			11/21/08	759 06	16 868	23 73	1,067 85	308 79 LT		
20			12/02/09	389 46	19,473	23 73	474 60	85 14 LT		
175				4,986 14	28 492		4,152 75	(833 39)		
4	NATIONAL OILWELL VARCO INC	NOV	02/23/01	152 42	38 417	67 25	269 00	116 58 LT		
15			10/24/08	360 84	24 056	67 25	1,008 75	647 91 LT		
1			10/27/08	25 45	25 449	67 25	67 25	41 80 LT		
10			11/21/08	214 20	21 42	67 25	672 50	458 30 LT		
30				752 91	25 097		2,017 50	1,264 59	654	13 20
30	NESTLE S A SPONSORED ADR	NSRGY	08/14/01	668 40	22 408	58 82	1,764 60	1,096 20 LT	1 524	26 91
30	NEWS CORP CLASS B NEW	NWS	08/14/01	549 15	18 305	16 42	492 60	(56 55) LT		
20			09/26/02	200 83	10 041	16 42	328 40	127 57 LT		
40			11/21/08	256 80	6 42	16 42	656 80	400 00 LT		
90				1,006 78	11 186		1,477 80	471 02	913	13 50
15	NOKIA CORP SPONSORED ADR	NOK	08/14/01	290 70	19 38	10 32	154 80	(135 90) LT		
40			09/17/03	620 86	15 521	10 32	412 80	(208 06) LT		
10			07/28/04	112 92	11 292	10 32	103 20	(9 72) LT		
65				1,024 48	15 761		670 80	(353 68)	3 401	22 82

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Ref 00008369 00061049

THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
4	NOBLE ENERGY INC	NBL	06/29/10	\$ 241.54	\$ 60.385	\$ 86.08	\$ 344.32	\$ 102.78	ST	
5			06/30/10	304.18	60.836	86.08	430.40	126.22	ST	
4			07/01/10	244.70	61.176	86.08	344.32	99.62	ST	
2			07/02/10	123.65	61.826	86.08	172.16	48.51	ST	
15				914.07	60.938		1,291.20	377.13	836	10.80
35	NOMURA HOLDINGS INC ADR	NMR	08/14/01	644.00	18.40	6.38	223.30	(420.70)	LT	
10			11/12/03	159.63	15.962	6.38	63.80	(95.83)	LT	
40			10/20/04	518.07	12.951	6.38	255.20	(262.87)	LT	
25			11/21/08	166.50	6.66	6.38	159.50	(7.00)	LT	
110				1,488.20	13.529		701.80	(786.40)	1 316	9.24
9	NORTHROP GRUMMAN CORP	NOC	03/25/09	387.00	43.00	64.78	583.02	196.02	LT	
26			05/06/10	1,686.02	64.846	64.78	1,684.28	(1.74)	ST	
4			10/29/10	252.60	63.149	64.78	259.12	6.52	ST	
39				2,325.62	59.631		2,526.42	200.80	2 902	73.32
30	NOVARTIS AG ADR	NVS	04/04/05	1,373.90	45.796	58.95	1,768.50	394.60	LT	
10			02/19/08	501.13	50.112	58.95	589.50	88.37	LT	
10			02/20/08	495.67	49.566	58.95	589.50	93.83	LT	
15			03/31/08	757.39	50.492	58.95	884.25	126.86	LT	
65				3,128.09	48.124		3,831.75	703.66	2 804	107.45
10	NOVO-NORDISK A S ADR	NVO	01/11/01	177.25	17.725	112.57	1,125.70	948.45	LT	9.79
10	NUCOR CORP	NUE	09/17/08	446.56	44.655	43.82	438.20	(8.36)	LT	
40			02/20/09	1,557.96	38.949	43.82	1,752.80	194.84	LT	
3			09/10/09	140.35	46.783	43.82	131.46	(8.89)	LT	
7			09/11/09	329.69	47.098	43.82	306.74	(22.95)	LT	
8			12/24/09	376.30	47.037	43.82	350.56	(25.74)	LT	
7			12/28/09	334.54	47.791	43.82	306.74	(27.80)	LT	
75				3,185.40	42.472		3,286.50	101.10	3 308	108.75
55	NVIDIA CORP	NVDA	06/04/08	1,324.89	24.088	15.40	847.00	(477.89)	LT	
225			09/10/08	2,460.47	10.935	15.40	3,485.00	1,004.53	LT	
50			05/21/10	644.84	12.896	15.40	770.00	125.16	ST	
330				4,430.20	13.425		5,082.00	651.80		
65	ORACLE CORP	ORCL	11/01/10	1,898.00	29.20	31.30	2,034.50	136.50	ST	638
15	ORIX CORP SPONS ADR	IX	04/14/05	1,010.35	67.356	48.648	729.72	(280.63)	LT	13.00
20			11/21/08	568.00	28.40	48.648	972.96	404.96	LT	
35				1,578.35	45.096		1,702.68	124.33	764	13.02

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THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
55	PALL CORP	PLL	11/21/08	\$ 1,295.06	\$ 23.546	\$ 49.58	\$ 2,726.90	\$ 1,431.84 LT	1.29%	\$ 35.20
17	PARKER-HANNIFIN CORP	PH	05/01/09	781.82	45.989	86.30	1,467.10	685.28 LT	1.344	19.72
2	PEBBLEBROOK HOTEL TRUST	PEB	07/23/10	34.22	17.11	20.32	40.64	6.42 ST		
8			08/24/10	137.57	17.196	20.32	162.56	24.99 ST		
10				171.79	17.179		203.20	31.41	2.362	4.80
30	PEPSICO INC	PEP	02/23/01	1,381.50	46.05	65.33	1,959.90	578.40 LT		
30			06/18/01	1,305.00	43.50	65.33	1,959.90	654.90 LT		
30			09/06/02	1,133.96	37.798	65.33	1,959.90	825.94 LT		
90				3,820.46	42.45		5,879.70	2,059.24	2.938	172.80
25	PETROLEO BRASILEIRO SA PETROBRAS	PBR	03/13/09	745.25	29.809	37.84	948.00	200.75 LT	396	3.75
24	PROCTER & GAMBLE CO	PG	01/07/03	768.98	32.084	64.33	1,543.92	774.94 LT		
41			01/06/06	2,402.79	58.604	64.33	2,637.53	234.74 LT		
25			02/11/09	1,284.98	51.399	64.33	1,608.25	323.27 LT		
90				4,456.75	49.519		5,789.70	1,332.95	2.995	173.43
20	RIO TINTO PLC-GBP	RIO	10/31/03	492.93	24.646	71.66	1,433.20	940.27 LT		
4			09/01/09	155.05	38.763	71.66	286.64	131.59 LT		
1			06/09/10	45.49	45.494	71.66	71.66	26.17 ST		
25				693.47	27.739		1,791.50	1,098.03	1.233	22.10
30	SAFEWAY INC NEW	SWY	06/17/09	614.23	20.474	22.49	674.70	60.47 LT		
70			06/24/09	1,429.52	20.421	22.49	1,574.30	144.78 LT		
7			09/14/09	139.89	19.984	22.49	157.43	17.54 LT		
54			09/16/09	1,039.50	19.25	22.49	1,214.46	174.96 LT		
161				3,223.14	20.02		3,620.89	397.75	2.134	77.28
10	SANDISK CORP	SNDK	02/04/04	249.67	24.967	49.86	498.60	248.93 LT		
40			06/16/05	987.67	24.691	49.86	1,994.40	1,006.73 LT		
50				1,237.34	24.747		2,493.00	1,255.66		
25	SAP AG SPONS ADR-USD	SAP	08/14/01	925.75	37.03	50.61	1,265.25	339.50 LT		
10			11/08/02	198.66	19.866	50.61	506.10	307.44 LT		
35				1,124.41	32.126		1,771.35	646.94	829	14.70
20	SCHLUMBERGER LTD	SLB	01/12/07	1,149.29	57.464	83.50	1,670.00	520.71 LT		
20			10/22/08	1,014.91	50.745	83.50	1,670.00	655.09 LT		
5			11/21/08	225.00	44.999	83.50	417.50	192.50 LT		
15			06/10/10	871.96	58.13	83.50	1,252.50	380.54 ST		
60				3,261.16	54.353		5,010.00	1,748.84	1.005	50.40

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THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
125	SCHWAB CHARLES CORP	SCHW	02/02/09	\$ 1,577.05	\$ 12.616	\$ 17.11	\$ 2,138.75	\$ 561.70	LT	
85			02/19/09	1,104.97	12.999	17.11	1,454.35	349.38	LT	
210				2,682.02	12.772		3,593.10	911.08	1402	50.40
12	SHIRE PLC ADR	SHPGY	03/05/08	709.25	59.104	72.38	868.56	159.31	LT	
5			08/01/08	260.39	52.077	72.38	361.90	101.51	LT	
17				969.64	57.038		1,230.46	260.82		5.87
20	SMITH & NEPHEW PLC SP ADR	SNN	01/20/05	989.59	49.479	52.55	1,051.00	61.41	LT	14.32
30	SUNCOR ENERGY INC NEW	SU	09/01/09	920.20	30.673	38.29	1,148.70	228.50	LT	11.88
15	TELEFONICA S A SPON ADR	TEF	08/14/01	471.91	33.045	68.42	1,026.30	554.39	LT	62.64
55	TESCO PLC SPONSORED ADR	TSCDY	10/09/02	508.75	9.25	20.18	1,109.90	601.15	LT	31.90
90	TEXAS INSTRUMENTS INC	TXN	09/12/02	1,747.80	19.42	32.50	2,925.00	1,177.20	LT	
130			01/09/03	2,074.44	15.957	32.50	4,225.00	2,150.56	LT	
85			07/23/08	2,123.90	24.987	32.50	2,762.50	638.60	LT	
305				5,946.14	19.496		9,912.50	3,966.36		160
8	THERMO FISHER SCIENTIFIC INC	TMO	06/10/10	410.32	51.289	55.36	442.88	32.56	ST	158.60
11			06/11/10	567.05	51.549	55.36	608.96	41.91	ST	
19				977.37	51.441		1,051.84	74.47		
20	TOTAL S A SPONS ADR	TOT	10/10/02	651.43	32.571	53.48	1,069.60	418.17	LT	49.66
20	TREND MICRO INC SPON ADR	TMICY	07/05/06	671.25	33.562	33.17	663.40	(7.85)	LT	
10			11/21/08	244.50	24.45	33.17	331.70	87.20	LT	
30				915.75	30.525		995.10	79.35		26.58
59	US BANCORP DEL NEW	USB	12/30/10	1,590.01	26.949	26.97	1,591.23	1.22	ST	11.80
15	UNILEVER PLC SPONS ADR NEW	UL	05/02/05	319.25	21.283	30.88	463.20	143.95	LT	
75			05/17/06	1,672.62	22.301	30.88	2,316.00	643.38	LT	
90				1,991.87	22.132		2,779.20	787.33		100.35
40	UNITED OVERSEAS BANK LTD	UOVEY	10/10/02	550.00	13.75	28.36	1,134.40	584.40	LT	
10	SPONS ADR		12/18/02	136.50	13.65	28.36	283.60	147.10	LT	
50				686.50	13.73		1,418.00	731.50		42.20
3	UNITED STATES STEEL CORP NEW	X	12/22/09	157.97	52.657	58.42	175.26	17.29	LT	
9			12/23/09	488.84	54.315	58.42	525.78	36.94	LT	
6			12/24/09	337.59	56.264	58.42	350.52	12.93	LT	
2			12/28/09	115.94	57.972	58.42	116.84	90	LT	
5			01/26/10	255.58	51.115	58.42	292.10	36.52	ST	
5			01/27/10	242.71	48.542	58.42	292.10	49.39	ST	
5			02/02/10	239.92	47.984	58.42	292.10	52.18	ST	

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THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
5	UNITED STATES STEEL CORP NEW	X	02/17/10	\$ 253.51	\$ 50.702	\$ 58.42	\$ 292.10	\$ 38.59	ST	
40				2,092.06	52.302		2,336.80	244.74		8.00
145	UNITEDHEALTH GROUP INC	UNH	01/11/01	2,002.81	13.812	36.11	5,235.95	3,233.14	LT	72.50
3	VERTEX PHARMACEUTICALS INC	VRTX	10/31/08	76.67	25.555	35.03	105.09	28.42	LT	
13			11/12/08	347.47	26.729	35.03	455.39	107.92	LT	
4			11/13/08	106.51	26.628	35.03	140.12	33.61	LT	
10			11/18/08	265.85	26.584	35.03	350.30	84.45	LT	
10			11/21/08	209.47	20.946	35.03	350.30	140.83	LT	
40				1,005.97	25.149		1,401.20	395.23		
10	VESTAS WIND SYS A/S UTD	VWDRY	05/12/10	173.75	17.374	10.53	105.30	(68.45)	ST	
11	KINGD-DKK UNSPONS ADR		05/14/10	192.46	17.496	10.53	115.83	(76.63)	ST	
34			05/17/10	580.18	17.064	10.53	358.02	(222.16)	ST	
55				846.39	17.207		579.15	(367.24)		
45	VISA INC COM CL A	V	06/10/10	3,433.37	76.297	70.38	3,167.10	(266.27)	ST	
5			06/29/10	359.24	71.847	70.38	351.90	(7.34)	ST	
50				3,792.61	75.852		3,519.00	(273.61)		30.00
73 75	VODAFONE GROUP PLC SPONS	VOD	08/14/01	1,677.28	22.742	26.44	1,949.95	272.67	LT	
76 25	ADR NEW		05/03/06	2,016.49	26.445	26.44	2,016.05	(44)	LT	
150				3,693.77	24.625		3,966.00	272.23		195.60
60	WAL-MART DE MEXICO SA DE CV SPON ADR	WMMVY	08/14/01	406.50	6.775	28.58	1,714.80	1,308.30	LT	34.38
38	WEYERHAEUSER CO	WY	02/02/01	1,976.38	52.01	18.93	719.34	(1,257.04)	LT	
102			07/22/10	1,585.08	15.54	18.93	1,930.86	345.78	ST	
140				3,561.46	25.439		2,650.20	(911.26)		28.00
110	YAHOO INC	YHOO	03/20/09	1,503.23	13.665	16.63	1,829.30	326.07	LT	
140			03/27/09	1,865.12	13.322	16.63	2,328.20	463.08	LT	
250				3,368.35	13.473		4,157.50	789.15		
Total common stocks and options				\$ 305,272.65			\$ 429,931.91	\$ 4,352.51	ST	1.31
								\$ 120,306.75	LT	\$ 5,651.41

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THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Bonds

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount

Call features shown indicate the next regularly scheduled call date and price Your holdings may be subject to other redemption features including sinking funds or extraordinary calls

The research rating for Moody's Investors Service and Standard & Poor's may be shown for certain fixed income securities All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting research ratings

Government & government sponsored entity (GSE) bonds

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
4,000	FEDERAL HOME LOAN MTG CORP GLOBAL DEB-BK/ENTRY DTD 01/14/2002	08/10/07 3134A4JT2	\$ 4,113 04 \$ 4,028 80	\$ 102 826 \$ 100 72	105 399	\$ 4,215 96	\$ 102 92 LT \$ 187 16 LT		\$ 0 00 \$ 187 16
1,000	INT 05 750% MATY 01/15/2012	10/28/10	1,066 02 1,056 71	106 602 105 671	105 399	1,053 99	(12 03) ST (2 72) ST		0 00 (2 72)
5,000			5,179 06 5,085 51	103 60 101 70	132 57	5,269 95	90 89 184 44	5 455 287 50	0 00 184 44
7,000	U S TREASURY NOTES SER AE-2012 DTD 11/15/2009	12/09/10 912828LX6	7,101 71 7,098 63	101 453 101 409	101 492 12 50	7,104 44	2 73 ST 5 81 ST	1 354 96 25	0 00 5 81
4,000	INT-01 375% MATY 11/15/2012 FEDERAL HOME LOAN MTG CORP BK/ENTRY DTD 1/17/03	08/11/10 3134A4SA3	4,356 92 4,300 92	108 923 107 523	107 566 83 00	4,302 64	(54 28) ST 1 72 ST	4 183 180 00	0 00 1 72
2,000	INT 04 500% MATY 01/15/2013 FEDERAL HOME LOAN MTG CORP GLOBAL REFERENCE NOTES	06/03/09 3137EABS7	2,132 14 2,085 48	106 607 104 274	108 363	2,167 26	35 12 LT 81 78 LT		0 00 81 78
2,000	INT 04 125% MATY 09/27/2013	09/28/09	2,145 26 2,100 86	107 263 105 043	108 363	2,167 26	22 00 LT 66 40 LT		0 00 66 40
4,000			4,277 40 4,186 34	106 90 104 70	43 08	4,334 52	57 12 148 18	3 806 165 00	0 00 148 18
4,000	FEDERAL NATL MTG ASSN MED TERM NTS BOOK/ENTRY 31398AVD1	03/03/09 31398AVD1	4,020 68 4,013 28	100 517 100 332	104 497	4,179 88	159 20 LT 166 60 LT		0 00 166 60
2,000	INT. 02 750% MATY 02/05/2014	06/03/09	2,009 82 2,006 66	100 491 100 333	104 497	2,089 94	80 12 LT 83 28 LT		0 00 83 28
1,000		12/15/09	1,020 78 1,015 73	102 078 101 573	104 497	1,044 97	24 19 LT 29 24 LT		0 00 29 24
7,000			7,051 28 7,035 67	100 70 100 50	78 07	7,314 79	263 51 279 12	2 631 192 50	0 00 279 12

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THE STEPHEN D. FALKENBURY JR Account number 606-06849-14 268

Government & government sponsored entity (GSE) bonds continued

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
1,000	U S TREASURY NOTES SER E-2016 DTD 8/15/2006	07/23/09 912828F08	\$ 1,105.82 \$ 1,086.15	\$ 110.582 \$ 108.615	113.977	\$ 1,139.77	\$ 33.95 LT \$ 53.62 LT		\$ 0.00 \$ 53.62
2,000	INT 04.875% MATY 08/15/2016	01/07/10	2,208.05 2,179.82	110.402 108.991	113.977	2,279.54	71.49 ST 99.72 ST		0.00 99.72
3,000			3,313.87 3,265.97	110.50 108.90	55.24	3,419.31	105.44 153.34	4.277 148.25	0.00 153.34
2,000	U S TREASURY NOTES SER G-2015 DTD 02/28/2010	08/20/10 912828MS6	2,139.06 2,131.80	106.953 106.59	103.125	2,062.50	(76.56) ST (69.30) ST		0.00 (69.30)
4,000	INT 03.000% MATY 02/28/2017	09/10/10	4,220.00 4,210.32	105.50 105.258	103.125	4,125.00	(95.00) ST (85.32) ST		0.00 (85.32)
6,000			6,359.06 6,342.12	106.00 105.70	61.16	6,187.50	(171.56) (154.62)	2.909 180.00	0.00 (154.62)
3,000	U S TREASURY NOTES SER F-2018 DTD 11/17/08	01/30/09 912828JR2	3,231.80 3,191.43	107.726 106.381	106.367	3,191.01	(40.79) LT (42) LT		0.00 (42)
1,000	INT 03.750% MATY 11/15/2018	06/03/09	1,013.28 1,011.34	101.328 101.134	106.367	1,063.67	50.39 LT 52.33 LT		0.00 52.33
3,000			3,057.19 3,050.64	101.906 101.688	106.367	3,191.01	133.82 LT 140.37 LT		0.00 140.37
7,000			7,302.27 7,253.41	104.30 103.60	34.08	7,445.69	143.42 192.28	3.525 262.50	0.00 192.28
3,000	U S TREASURY NOTES SER F-2010 DTD 11/15/2010	11/16/10 912828PC8	2,924.04 2,924.04	97.467 97.467	94.328 10.22	2,829.84	(94.20) ST (94.20) ST	2.782 78.75	0.00 (94.20)
Total government & government sponsored entity (GSE) bonds			\$ 47,865.61 \$ 47,492.61		\$ 509.92	\$ 48,208.68	(\$ 144.29) ST \$ 860.36 LT	-3.29 \$ 1,588.75	\$ 0.00 \$ 716.07
Total portfolio value			\$ 359,376.17			\$ 484,751.50	\$ 4,208.22 ST \$ 121,167.11 LT	1.49 \$ 7,244.12	\$ 0.00 \$ 716.07

Reserved Client Statement 2010 Year End Summary

Morgan Stanley
Smith Barney

Ref. 00011404 00091489

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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

Details of Earnings 2010 - continued

Dividends and Distributions, Section 2

Reference number	Description	Nondividend distributions	Foreign tax paid	Cash liquidation distributions	Non cash liquidation distributions	Investment expense	NRA Withholding
160010400	89486M206001 *** TREND MICRO INC SPON ADR THIS AMOUNT INCLUDES TAXES PAID TO A FOREIGN GOVERNMENT A PORTION OF THIS INCOME HAS BEEN RECLASSIFIED		\$ 2.05				
160011200	962166104000 WEYERHAEUSER CO THE AMOUNT REPORTED INCLUDES THE VALUE OF THE FOLLOWING STOCK DISTRIBUTION 09/01/10 102 SHRS @ \$ 15.5400 A PORTION OF THIS INCOME HAS BEEN RECLASSIFIED	28.53					
Totals		\$ 56.73	\$ 177.83				

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 Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000030	35	SEAGATE TECHNOLOGY PLC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/23/10	12/27/10	\$ 528.84	\$ 383.62 \$ 383.62	\$ 145.22 \$ 145.22	\$ 0.00 \$ 0.00
125000140	1	AGCO CORP	12/02/09	09/22/10	39.85	32.15 32.15	7.70 7.70	0.00 0.00
	4		12/03/09		159.39	128.99 128.99	30.40 30.40	0.00 0.00

Reserved Client Statement 2010 Year End Summary

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MorganStanley
SmithBarney

Ref. 00011404 00091490

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

2010 YEAR END SUMMARY

Details of Short-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)
125000150	3	AGCO CORP	12/03/09	09/23/10	\$ 118.85	\$ 96.75	\$ 22.10	\$ 0.00
	2		12/04/09		79.23	64.45	14.78	\$ 0.00
125000160	5	AGCO CORP	12/04/09	09/24/10	199.55	161.13	38.42	0.00
	4		12/07/09		159.64	128.23	31.41	0.00
125000170	25	AKAMAI TECHNOLOGIES INC VS HIGHEST COST	07/14/09	01/06/10	662.73	474.67	188.06	0.00
		CGMI AND/OR ITS AFFILIATES					188.06	0.00
125000180	20	AKAMAI TECHNOLOGIES INC VS HIGHEST COST	07/14/09	04/07/10	655.38	379.74	275.64	0.00
		CGMI AND/OR ITS AFFILIATES					275.64	0.00
125000200	10	AMAZON COM INC	02/09/10	10/18/10	1,632.02	1,182.40	449.62	0.00
		VSP 01/01/01 PRICE 400					449.62	0.00
		CGMI AND/OR ITS AFFILIATES						0.00
125000230	8	AMGEN INC	02/09/10	12/14/10	448.14	458.23	(10.09)	0.00
		VSP 01/01/01 PRICE 400					(10.09)	0.00
		CGMI AND/OR ITS AFFILIATES						0.00
125000390	5	BAKER HUGHES INC	06/02/10	12/27/10	280.59	196.80	83.79	0.00
		VS HIGHEST COST					83.79	0.00
125000540	20	CVS CAREMARK CORP	11/20/09	02/09/10	655.45	628.82	26.63	0.00
		VS HIGHEST COST					26.63	0.00
125000600	4	CARNIVAL CORP (PAIRED STOCK)	06/29/10	12/27/10	183.91	125.97	57.94	0.00
		VS HIGHEST COST					57.94	0.00
125000680	10	CONOCOPHILLIPS	12/31/09	12/27/10	671.98	511.35	160.63	0.00
		VS HIGHEST COST					160.63	0.00
125000960	13	ELECTRONIC ARTS	02/09/10	11/10/10	210.27	207.17	3.10	0.00
		VSP 01/01/01 PRICE 400					3.10	0.00
		CGMI AND/OR ITS AFFILIATES						0.00
125000970	29	ELECTRONIC ARTS	02/09/10	11/15/10	456.24	462.14	(5.90)	0.00
		VS HIGHEST COST					(5.90)	0.00
		CGMI AND/OR ITS AFFILIATES						0.00
125000980	33	ELECTRONIC ARTS	02/09/10	11/16/10	510.03	525.89	(15.86)	0.00
		VS HIGHEST COST					(15.86)	0.00
		CGMI AND/OR ITS AFFILIATES						0.00

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref. 00011404 00091491

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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

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)
125001050	7,000	FEDERAL HOME LN MTG CORP DISC BDS BOOK/ENTRY DTD 09/08/2010 DUE 09/08/2011	09/24/10	12/09/10	\$ 6,985 19	\$ 6,981 50 \$ 6,981 50	\$ 3 69 \$ 3 69	\$ 3 69 \$ 0 00
125001060	2,000	FEDERAL NATL MTG ASSN BENCHMARK NOTES-BK/ENTRY DTD 05/25/2001 DUE 05/15/2011 RATE 6 000	04/15/09	02/01/10	2,138 76	2,193 40 2,119 74	(54 64) 19 02	0 00 19 02
125001080	3,000	FEDERAL NATL MTG ASSN MED TERM NTS BK/ENTRY DTD 01/25/2010 DUE 01/25/2013 RATE 2 125	06/03/09	08/11/10	1,069 38	1,095 83 1,063 32	(26 45) 6 06	0 00 6 06
125001130	5	FREEMONT MCMORAN COPPER & GOLD CL B VS HIGHEST COST	02/20/09	01/06/10	434 78	141 59 141 59	293 19 293 19	0 00 0 00
125001140	15	FREEMONT MCMORAN COPPER & GOLD CL B VS HIGHEST COST	02/20/09	02/09/10	1,072 93	424 77 424 77	648 16 648 16	0 00 0 00
125001200	20	GENZYME CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	02/09/10	12/09/10	1,403 58	1,096 72 1,096 72	306 86 306 86	0 00 0 00
125001240	5	HALLIBURTON CO HOLDINGS CO VS HIGHEST COST	12/31/09	12/09/10	200 99	151 82 151 82	49 17 49 17	0 00 0 00
125001250	10	HALLIBURTON CO HOLDINGS CO VS HIGHEST COST	12/31/09	12/27/10	397 79	303 63 303 63	94 16 94 16	0 00 0 00
125001470	10	ISIS PHARMACEUTICALS VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	11/01/10	12/27/10	104 99	89 95 89 95	15 04 15 04	0 00 0 00
125001480	12	JPMORGAN CHASE & CO VS HIGHEST COST	12/20/10	12/27/10	509 75	479 79 479 79	29 96 29 96	0 00 0 00
125001660	25	LIBERTY MEDIA HLDG CORP CAP SER A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	05/01/09	04/07/10	938 24	306 74 306 74	631 50 631 50	0 00 0 00
125001790	4	MORGAN STANLEY VS HIGHEST COST THE ISSUER MAY BE DEEMED TO CONTROL, BE CONTROLLED BY, OR	01/13/10	12/27/10	109 92	126 29 126 29	(16 37) (16 37)	0 00 0 00

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091492

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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)	
125001940	2	NOBLE ENERGY INC VS HIGHEST COST	07/02/10	12/27/10	\$ 169.67	\$ 123.65 \$ 123.65	\$ 46.02 \$ 46.02	\$ 0.00 \$ 0.00	
125002080	10	QUALCOMM INC VSP 01/01/01 PRICE 400 CGMI AND/OR ITS AFFILIATES	02/02/10	06/21/10	357.58	395.79 395.79	(38.21) (38.21)	0.00 0.00	
125002100	30	QUALCOMM INC VSP 01/01/01 PRICE 400 CGMI AND/OR ITS AFFILIATES	02/02/10	07/12/10	1,051.57	1,187.36 1,187.36	(135.79) (135.79)	0.00 0.00	
125002110	4	RIO TINTO PLC-GBP VS HIGHEST COST	06/09/10	12/27/10	278.31	181.98 181.98	96.33 96.33	0.00 0.00	
125002150	35	ROCHE HLDG LTD SPON ADR VSP 01/01/01 PRICE 400 CGMI AND/OR ITS AFFILIATES	02/03/10	07/23/10	1,136.76	1,474.48 1,474.48	(337.72) (337.72)	0.00 0.00	
125002210	15	SCHWAB CHARLES CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	02/19/09	01/06/10	291.31	195.00 195.00	96.31 96.31	0.00 0.00	
125002350	8	STATE STREET CORP	11/25/09	09/01/10	285.63	331.94 331.94	(46.31) (46.31)	0.00 0.00	
125002360	7	STATE STREET CORP	11/25/09	09/02/10	252.34	290.44 290.44	(38.10) (38.10)	0.00 0.00	
125002470	4,000	U S TREASURY BILLS DTD 02/04/2010 DUE 08/05/2010 YIELD .076MTY	05/20/10	06/17/10	3,999.60	3,998.73 3,999.16	87 44	43 01	
125002480	3,000	U S TREASURY NOTES SER C-2014 DTD 05/17/2004 DUE 05/15/2014 RATE 4.750 YIELD 1.372MTY	03/25/10	07/08/10	3,378.75	3,307.97 3,287.40	70.78 91.35	0.00 91.35	
125002500	1,000	U S TREASURY NOTES SER R 2011 DTD 01/02/2007 DUE 12/31/2011 RATE 4.625 YIELD 1.002MTY	12/04/09	01/07/10	1,070.78	1,077.62 1,074.36	(6.84) (3.58)	0.00 (3.58)	
125002510	4,000	U S TREASURY NOTES SER R 2011 DTD 01/02/2007 DUE 12/31/2011 RATE 4.625 YIELD .926MTY	12/04/09	03/25/10	4,258.44	4,310.47 4,265.64	(52.03) (7.20)	0.00 (7.20)	

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

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091493

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THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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)
125002520	4,000	U S TREASURY NOTES SER S-2012	05/29/09	05/20/10	\$ 4,241.26	\$ 4,246.25	(\$ 4.99)	\$ 0.00
		DTD 11/30/2007				\$ 4,179.28	\$ 61.98	\$ 61.98
	1,000	DUE 11/30/2012 RATE 3.375 YIELD .954MTY	09/21/09		1,060.31	1,056.76	3.55	0.00
						1,045.22	15.09	15.09
125002530	4,000	U S TREASURY NOTES Z-2012	06/17/10	09/24/10	4,101.09	4,093.75	7.34	0.00
		DTD 06/15/2009				4,080.80	20.29	20.29
	2,000	DUE 06/15/2012 RATE 1.875 YIELD .395MTY	09/10/10		2,050.55	2,047.66	2.89	0.00
						2,046.60	3.95	3.95
125002540	1,000	U S TREASURY NOTES SER B-2020	07/08/10	11/16/10	1,072.03	1,049.38	22.65	0.00
		DTD 02/15/2010				1,047.76	24.27	24.27
	1,000	DUE 02/15/2020 RATE 3.625 YIELD 2.737MTY	07/26/10		1,072.03	1,052.70	19.33	0.00
						1,051.19	20.84	20.84
Total					\$ 58,170.38	\$ 52,979.56	\$ 3,190.82	\$ 4.12
						\$ 52,706.54	\$ 3,463.84	\$ 261.93

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	81	SEAGATE TECHNOLOGY -USD	02/23/01	01/06/10	\$ 1,490.36	\$ 1,505.07	(\$ 14.71)	\$ 0.00
	229	VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	11/21/08		4,213.49	\$ 1,505.07	(\$ 14.71)	\$ 0.00
						998.42	3,215.07	0.00
						998.42	3,215.07	0.00
125000020	70	SEAGATE TECHNOLOGY -USD	11/21/08	02/09/10	1,283.92	305.19	978.73	0.00
		VS HIGHEST COST CGMI AND/OR ITS AFFILIATES				305.19	978.73	0.00
125000040	41	WEATHERFORD INTERNATIONAL LTD -CHF	09/11/02	12/10/10	848.60	412.05	436.55	0.00
						412.05	436.55	0.00

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

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091494

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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

Details of Long-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)	
125000050	59	WEATHERFORD INTERNATIONAL LTD.-CHF	09/11/02	12/13/10	\$ 1,223.11	\$ 592.95	\$ 630.16	\$ 0.00	
	52		10/17/08		1,077.99	784.74	293.25	0.00	
125000060	20	TYCO ELECTRONICS LTD VS HIGHEST COST	01/11/01	01/06/10	503.58	1,354.81	(851.23)	0.00	
125000070	12	TYCO ELECTRONICS LTD VS HIGHEST COST	12/18/01	05/06/10	348.11	782.90	(434.79)	0.00	
	13		01/31/02		377.12	536.75	(159.63)	0.00	
125000080	15	TYCO ELECTRONICS LTD VS HIGHEST COST	01/31/02	12/27/10	529.79	616.92	(87.13)	0.00	
125000090	15	TYCO INTL LTD CHF VS HIGHEST COST	01/11/01	01/06/10	541.04	1,356.43	(815.39)	0.00	
	12		12/18/01		432.83	1,045.11	(612.28)	0.00	
	3		01/31/02		108.20	165.35	(57.15)	0.00	
125000100	32	TYCO INTL LTD CHF VS HIGHEST COST	01/31/02	02/09/10	1,114.61	1,763.74	(649.13)	0.00	
	3		11/08/07		104.49	123.17	(18.68)	0.00	
125000110	25	ASML HLDG NV NEW YORK REG CGMI AND/OR ITS AFFILIATES	08/19/08	01/21/10	842.83	529.68	313.15	0.00	
125000120	5	ASML HLDG NV NEW YORK REG VS HIGHEST COST	08/19/08	12/27/10	191.89	105.93	85.96	0.00	
125000130	5	CORE LABORATORIES N V-USD VS HIGHEST COST	01/17/01	12/27/10	445.24	55.94	389.30	0.00	
125000190	25	AMAZON COM INC VS HIGHEST COST	05/03/05	01/06/10	3,308.16	831.63	2,476.53	0.00	
125000200	5	AMAZON COM INC VSP 01/01/01 PRICE 400 CGMI AND/OR ITS AFFILIATES	05/03/05	10/18/10	816.01	166.32	649.69	0.00	
125000210	6	AMAZON COM INC VSP 01/01/05 PRICE 400 CGMI AND/OR ITS AFFILIATES	05/03/05	12/06/10	1,053.22	199.59	853.63	0.00	

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091495

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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

Details of Long-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)	
125000220	30	AMGEN INC VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	12/19/01	06/10/10	\$ 1,617.15	\$ 1,744.03	(\$ 126.88)	\$ 0.00	
125000230	20	AMGEN INC VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	12/19/01	12/14/10	1,120.35	1,162.69	(42.34)	0.00	
125000240	15	ANADARKO PETROLEUM CORP	01/24/02	07/01/10	552.70	366.51	186.19	0.00	
125000250	25	ANADARKO PETROLEUM CORP VS HIGHEST COST	07/24/08	12/09/10	1,709.47	1,462.03	247.44	0.00	
125000260	15	APPLIED MATERIALS INC DELAWARE VS HIGHEST COST	10/24/08	12/27/10	1,025.68	436.40	589.28	0.00	
125000270	5	ATLAS COPCO AB SPONS ADR NEW RPSTG CL B -USD VS HIGHEST COST	09/17/09	12/09/10	104.99	60.84	44.15	0.00	
125000280	15	ATLAS COPCO AB SPONS ADR NEW RPSTG CL B -USD VS HIGHEST COST	09/17/09	12/27/10	334.19	182.51	151.68	0.00	
125000290	10	AUTODESK INC VS HIGHEST COST	02/27/08	04/07/10	308.20	330.00	(21.80)	0.00	
125000300	5	AUTODESK INC VS HIGHEST COST	02/27/08	12/09/10	190.14	165.00	25.14	0.00	
125000310	15	AUTODESK INC VS HIGHEST COST	02/27/08	12/27/10	586.79	494.99	91.80	0.00	
125000320	10	AXA S A SPONS ADR VS HIGHEST COST	08/14/01	01/06/10	249.39	303.90	(54.51)	0.00	
125000330	5	BASF SE COMMON STOCK VS HIGHEST COST	08/14/01	01/06/10	319.19	101.25	217.94	0.00	
125000340	5	BASF SE COMMON STOCK VS HIGHEST COST	08/14/01	12/27/10	398.54	101.25	297.29	0.00	

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

Details of Long-Term Gain (Loss) 2010 - continued

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

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)
125000350	5	BP PLC SPONS ADR	08/14/01	06/09/10	\$ 165 51	\$ 259 20	(\$ 93 69)	\$ 0 00
	10		09/17/03		331 02	428 65	(97 63)	0 00
	15		03/29/06		496 52	1,044 22	(547 70)	0 00
						1,044 22	(547 70)	0 00
125000360	5	THE BABCOCK & WILCOX COMPANY VS HIGHEST COST	09/02/08	12/27/10	125 14	150 56	(25 42)	0 00
125000370	15	BAKER HUGHES INC VS HIGHEST COST	11/05/08	01/06/10	680 98	519 34	161 64	0 00
125000380	20	BAKER HUGHES INC VS HIGHEST COST	11/05/08	02/09/10	912 98	692 45	220 53	0 00
125000400	20	BANK OF AMERICA CORP VS HIGHEST COST	10/17/08	04/07/10	375 19	476 23	(101 04)	0 00
125000410	20	BANK OF AMERICA CORP	10/16/08	10/19/10	236 44	447 96	(211 52)	0 00
	15		10/17/08		177 33	447 96	(211 52)	0 00
	35		11/21/08		413 77	357 18	(179 85)	0 00
	25		12/08/08		295 55	397 60	16 17	0 00
						424 71	(129 16)	0 00
125000420	10	BANK OF AMERICA CORP VS HIGHEST COST	12/08/08	12/27/10	132 89	169 88	(36 99)	0 00
125000430	10	BED BATH & BEYOND VS HIGHEST COST	03/06/08	01/06/10	391 18	280 94	110 24	0 00
		CGMI AND/OR ITS AFFILIATES				280 94	110 24	0 00
125000440	5	BERKSHIRE HATHAWAY INC CL B VS HIGHEST COST	01/04/02	05/06/10	373 74	245 80	127 94	0 00
125000450	30	BERKSHIRE HATHAWAY INC CL B VSP 01/01/01 PRICE 400	01/04/02	05/21/10	2,167 37	1,474 83	692 54	0 00
125000460	14	BERKSHIRE HATHAWAY INC CL B VSP 01/01/01 PRICE 400	01/04/02	12/07/10	1,121 79	688 25	433 54	0 00
125000470	1	BERKSHIRE HATHAWAY INC CL B VS HIGHEST COST	01/04/02	12/09/10	80 03	49 16	30 87	0 00
125000480	2	BHP BILLITON LTD SPONS ADR VS HIGHEST COST	12/23/09	12/27/10	181 45	150 77	30 68	0 00

THE STEPHEN D. FALKENBURY JR
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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)
125000490	5	BIOGEN IDEC INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	04/15/08	12/09/10	\$ 330.79	\$ 324.48	\$ 6.31	\$ 0.00
125000500	10	BROADCOM CORP CL A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	11/07/07	01/06/10	314.69	331.50	(16.81)	0.00
125000510	20	BROADCOM CORP CL A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	11/07/07	04/07/10	680.58	663.01	17.57	0.00
125000520	5	BROADCOM CORP CL A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	11/07/07	12/09/10	230.09	165.35	64.74	0.00
125000530	12	BROADCOM CORP CL A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	07/14/06	12/27/10	525.83	335.98	189.85	0.00
125000550	10	CVS CAREMARK CORP VS HIGHEST COST	11/20/09	12/27/10	346.19	314.41	31.78	0.00
125000560	20	CABLEVISION SYSTEMS CORP CABLEVISION NY GROUP CL A VS HIGHEST COST	09/12/02	01/06/10	526.18	11.53	514.65	0.00
125000570	5	CABLEVISION SYSTEMS CORP CABLEVISION NY GROUP CL A VS HIGHEST COST	09/12/02	12/09/10	166.79	2.39	164.40	0.00
125000580	20	CABLEVISION SYSTEMS CORP CABLEVISION NY GROUP CL A VS HIGHEST COST	09/12/02	12/27/10	671.98	9.56	662.42	0.00
125000590	10	CANON INC ADR VS HIGHEST COST	08/14/01	12/27/10	518.99	234.80	284.19	0.00
125000610	5	CISCO SYS INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	01/11/01	04/07/10	131.50	180.00	(48.50)	0.00
125000620	15	CISCO SYS INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	05/01/08	12/27/10	303.44	391.52	(88.08)	0.00

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Reserved Client Statement 2010 Year End Summary

MorganStanley
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THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

Details of Long Term Gain (Loss) 2010 - continued										2010 YEAR END SUMMARY		
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)				
125000630	15	CITRIX SYSTEMS INC CGMI AND/OR ITS AFFILIATES	09/15/08	08/19/10	\$ 872.06	\$ 421.10	\$ 450.96	\$ 0.00				
	5		12/19/08		290.68	114.80	175.88	0.00				
125000640	10	COCA-COLA CO VS HIGHEST COST	03/09/01	12/27/10	651.38	515.10	136.28	0.00				
125000650	30	COMCAST CORP CL A - SPL VS HIGHEST COST	01/11/01	04/07/10	538.19	860.00	(321.81)	0.00				
125000660	10	COMCAST CORP CL A - SPL VS HIGHEST COST	01/11/01	12/09/10	196.19	286.67	(90.48)	0.00				
125000670	20	COMCAST CORP CL A - SPL VS HIGHEST COST	01/11/01	12/27/10	415.79	573.33	(157.54)	0.00				
	20	CGMI AND/OR ITS AFFILIATES	04/15/05		415.79	428.58	(12.79)	0.00				
125000690	10	CREE INC VS HIGHEST COST	12/13/02	01/06/10	589.18	191.10	398.08	0.00				
125000700	10	CREE INC VS HIGHEST COST	12/13/02	05/06/10	694.08	191.10	502.98	0.00				
125000710	1	DEERE & CO	12/02/09	12/16/10	82.21	53.75	28.46	0.00				
	5		12/03/09		411.03	271.87	139.16	0.00				
125000720	5	DEERE & CO	12/03/09	12/17/10	410.38	271.87	138.51	0.00				
125000730	5	DEERE & CO	12/04/09	12/27/10	417.44	275.30	142.14	0.00				
125000740	1	DEVON ENERGY CORP NEW VS HIGHEST COST	08/11/09	12/09/10	72.01	64.25	7.76	0.00				
125000750	20	WALT DISNEY CO VS HIGHEST COST	02/23/01	01/06/10	635.18	586.96	48.22	0.00				
125000760	35	WALT DISNEY CO VS HIGHEST COST	10/31/02	02/09/10	1,046.48	578.60	467.88	0.00				

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MorganStanley
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THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

Details on Long-Term Gain/(Loss) 2010 - continued

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Loss	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000770	5	WALT DISNEY CO VS HIGHEST COST	10/31/02	04/07/10	\$ 176.54	\$ 82.66 \$ 82.66	\$ 93.88 \$ 93.88	\$ 0.00 \$ 0.00
125000780	10	WALT DISNEY CO VS HIGHEST COST	10/31/02	05/06/10	338.59	165.31 165.31	173.28 173.28	0.00 0.00
125000790	31	WALT DISNEY CO	10/31/02	12/08/10	1,148.55	512.47 512.47	636.08 636.08	0.00 0.00
125000800	14	WALT DISNEY CO VS HIGHEST COST	10/31/02	12/27/10	524.85	231.44 231.44	293.41 293.41	0.00 0.00
125000810	2	DIRECTV CL A VS HIGHEST COST	02/23/01	01/06/10	66.98	33.04 33.04	33.94 33.94	0.00 0.00
	18	CGMI AND/OR ITS AFFILIATES	12/13/02		602.80	192.24 192.24	410.56 410.56	0.00 0.00
125000820	30	DIRECTV CL A VS HIGHEST COST	12/13/02	04/07/10	1,034.67	320.40 320.40	714.27 714.27	0.00 0.00
	5	CGMI AND/OR ITS AFFILIATES	11/21/08		172.45	47.54 47.54	124.91 124.91	0.00 0.00
125000830	5	DIRECTV CL A VS HIGHEST COST	11/21/08	12/27/10	198.64	47.54 47.54	151.10 151.10	0.00 0.00
125000840	3	CGMI AND/OR ITS AFFILIATES DOLBY LABORATORIES INC CLASS A VS HIGHEST COST	10/30/08	01/06/10	148.64	91.88 91.88	56.76 56.76	0.00 0.00
125000850	6	DOLBY LABORATORIES INC CLASS A VS HIGHEST COST	10/27/08	04/07/10	355.31	182.74 182.74	172.57 172.57	0.00 0.00
	4	VS HIGHEST COST	10/30/08		236.87	122.50 122.50	114.37 114.37	0.00 0.00
125000860	3	DOLBY LABORATORIES INC CLASS A VS HIGHEST COST	10/27/08	12/27/10	200.21	91.37 91.37	108.84 108.84	0.00 0.00
	2	VS HIGHEST COST	10/29/08		133.48	59.48 59.48	74.00 74.00	0.00 0.00
125000870	10	DOVER CORP VS HIGHEST COST	08/17/07	12/27/10	584.79	491.29 491.29	93.50 93.50	0.00 0.00
125000880	10	EBAY INC VS HIGHEST COST	05/26/06	01/06/10	235.29	341.41 341.41	(106.12) (106.12)	0.00 0.00
	10	CGMI AND/OR ITS AFFILIATES	11/06/07		235.29	339.47 339.47	(104.18) (104.18)	0.00 0.00

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THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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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)
125000890	10	ELECTRONIC ARTS VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	09/16/05	04/07/10	\$ 190 59	\$ 604 56	(\$ 413 97)	\$ 0 00
125000900	35	ELECTRONIC ARTS VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	09/16/05	10/13/10	581.80	2,115 95	(1,534 15)	0 00
	65		11/21/08		1,080 49	2,115 95	(1,534 15)	0 00
						1,148 20	(67 71)	0 00
						1,148 20	(67 71)	0 00
125000910	15	ELECTRONIC ARTS VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	11/21/08	10/15/10	239 41	264 97	(25 56)	0 00
						264 97	(25 56)	0 00
125000920	35	ELECTRONIC ARTS VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	11/21/08	10/20/10	538 65	618 26	(79 61)	0 00
						618 26	(79 61)	0 00
125000930	22	ELECTRONIC ARTS VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	11/21/08	10/28/10	343.89	388 62	(44 73)	0 00
						388 62	(44 73)	0 00
125000940	38	ELECTRONIC ARTS VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	11/21/08	11/03/10	587 16	671.26	(84 10)	0 00
						671.26	(84 10)	0 00
125000950	1	ELECTRONIC ARTS VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	11/21/08	11/05/10	16 03	17 66	(1 63)	0 00
	31		02/11/09		496 80	17 66	(1 63)	0 00
						526 33	(29 53)	0 00
						526 33	(29 53)	0 00
125000960	23	ELECTRONIC ARTS VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	02/11/09	11/10/10	372 02	390 50	(18 48)	0 00
						390 50	(18 48)	0 00
125000990	15	EMERSON ELECTRIC CO VSP 01/01/01 PRICE .400 CGMI AND/OR ITS AFFILIATES	03/09/01	04/16/10	780 23	520 73	259 50	0 00
						520 73	259 50	0 00
125001000	5	EMERSON ELECTRIC CO VS HIGHEST COST	03/09/01	12/27/10	286 14	173 58	112 56	0 00
						173 58	112 56	0 00
125001010	25	ERICSSON L M TEL CO CL B ADR NEW -USD- VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	09/17/08	12/27/10	284 49	245 53	38 96	0 00
						245 53	38 96	0 00
125001020	30	EXPEDIA INC VSP 01/01/08 PRICE .400 CGMI AND/OR ITS AFFILIATES	11/21/08	05/13/10	706 02	193 80	512 22	0 00
						193 80	512 22	0 00

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THE STEPHEN D. FALKENBURY JR
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Details of Long-Term Gain/(Loss) 2010 - Continued										2 0 1 0 Y E A R E N D S U M M A R Y			
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)					
125001030	5	EXPEDIA INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	11/21/08	12/09/10	\$ 134.09	\$ 32.30 \$ 32.30	\$ 101.79 \$ 101.79	\$ 0.00 \$ 0.00					
125001040	15	EXPEDIA INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	11/21/08	12/27/10	383.84	96.90 96.90	286.94 286.94	0.00 0.00					
125001060	1,000	FEDERAL NATL MTG ASSN BENCHMARK NOTES-BK/ENTRY DTD 05/25/2001 DUE 05/15/2011 RATE 6.000	07/17/08	02/01/10	1,069.38	1,061.27 1,028.53	8.11 40.85	0.00 40.85					
125001070	2,000	FEDERAL HOME LOAN MTG CORP GLOBAL REFERENCE NOTES DTD 08/20/2008 DUE 09/27/2013 RATE 4.125	11/13/08	09/10/10	2,181.08	2,046.33 2,029.86	134.75 151.22	0.00 151.22					
	2,000		04/15/09		2,181.08	2,164.26	16.82	0.00					
	1,000		06/03/09		1,090.54	2,113.94 1,066.07 1,047.28	67.14 0.00 43.26	67.14 0.00 43.26					
125001090	10	FLUOR CORP NEW VS HIGHEST COST	01/07/09	12/27/10	666.49	480.78 480.78	185.71 185.71	0.00 0.00					
	5		06/01/09		333.24	188.36 188.36	144.88 144.88	0.00 0.00					
125001100	20	FOREST LABORATORIES INC VS HIGHEST COST	01/11/01	01/06/10	639.78	591.56 591.56	48.22 48.22	0.00 0.00					
125001110	10	FOREST LABORATORIES INC VS HIGHEST COST	01/11/01	12/27/10	324.09	295.78 295.78	28.31 28.31	0.00 0.00					
125001120	3	FRANKLIN RESOURCES INC VS HIGHEST COST	10/31/08	12/27/10	331.67	203.15 203.15	128.52 128.52	0.00 0.00					
125001150	3	FREEMONT MCMORAN COPPER & GOLD CL B VSP 01/01/09 PRICE .400	02/20/09	11/04/10	305.52	84.96 84.96	220.56 220.56	0.00 0.00					
125001160	7	FREEMONT MCMORAN COPPER & GOLD CL B VS HIGHEST COST	02/20/09	12/09/10	772.15	198.23 198.23	573.92 573.92	0.00 0.00					
125001170	5	FREEMONT MCMORAN COPPER & GOLD CL B VS HIGHEST COST	02/20/09	12/27/10	594.58	141.59 141.59	452.99 452.99	0.00 0.00					
125001180	20	GENERAL ELECTRIC CO VS HIGHEST COST	03/20/02	04/07/10	373.99	775.93 775.93	(401.94) (401.94)	0.00 0.00					

Reserved Client Statement 2010 Year End Summary

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THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

2010 YEAR END SUMMARY									
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	
Details of Long Term Gain (Loss) 2010 continued									
125001190	10	GENERAL ELECTRIC CO	03/20/02	12/27/10	\$ 182.00	\$ 387.97	(\$ 205.97)	\$ 0.00	
	10	VS HIGHEST COST	05/01/02		181.99	\$ 387.97	(\$ 205.97)	\$ 0.00	
						314.73	(132.74)	0.00	
						314.73	(132.74)	0.00	
125001200	20	GENZYME CORP	04/30/02	12/09/10	1,403.57	808.64	594.93	0.00	
		VS HIGHEST COST				808.64	594.93	0.00	
		CGMI AND/OR ITS AFFILIATES							
125001210	3	GENZYME CORP	04/30/02	12/27/10	213.14	121.30	91.84	0.00	
		VS HIGHEST COST				121.30	91.84	0.00	
		CGMI AND/OR ITS AFFILIATES							
125001220	5	GRUPO TELEVISIA SA DE CV	08/14/01	01/06/10	104.74	52.79	51.95	0.00	
		SPON ADR				52.79	51.95	0.00	
		VS HIGHEST COST							
125001230	10	GRUPO TELEVISIA SA DE CV	08/14/01	12/27/10	259.39	105.57	153.82	0.00	
		SPON ADR				105.57	153.82	0.00	
		VS HIGHEST COST							
125001260	4	HESS CORP	08/07/09	12/27/10	300.95	220.75	80.20	0.00	
		VS HIGHEST COST				220.75	80.20	0.00	
125001270	20	HOME DEPOT INC	08/20/02	01/06/10	577.18	607.48	(30.30)	0.00	
		VS HIGHEST COST				607.48	(30.30)	0.00	
125001280	40	HOME DEPOT INC	08/20/02	02/09/10	1,155.98	1,214.95	(58.97)	0.00	
		VS HIGHEST COST				1,214.95	(58.97)	0.00	
125001290	15	HOME DEPOT INC	08/20/02	05/06/10	506.73	455.61	51.12	0.00	
		VS HIGHEST COST				455.61	51.12	0.00	
	20	VS HIGHEST COST	04/15/08		675.64	550.00	125.64	0.00	
						550.00	125.64	0.00	
125001300	10	HOME DEPOT INC	03/20/08	05/21/10	329.32	269.99	59.33	0.00	
		VSP 01/01/01 PRICE 400				269.99	59.33	0.00	
125001310	5	HONDA MOTOR CO LTD ADR-NEW	08/18/09	12/27/10	198.04	159.67	38.37	0.00	
		VS HIGHEST COST				159.67	38.37	0.00	
125001320	10	HONEYWELL INTL INC	03/02/07	01/06/10	403.79	459.84	(56.05)	0.00	
		VS HIGHEST COST				459.84	(56.05)	0.00	
	5		03/05/07		201.89	229.81	(27.92)	0.00	
						229.81	(27.92)	0.00	
125001330	10	HONEYWELL INTL INC	03/05/07	12/27/10	534.29	459.62	74.67	0.00	
		VS HIGHEST COST				459.62	74.67	0.00	

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THE STEPHEN D. FALKENBURY JR
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2010 YEAR END SUMMARY

Details of Long-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)	
125001340	15	HONG KONG&CHINA GAS SP ADR VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/14/01	01/06/10	\$ 37 19	\$ 14 31 \$ 14 31	\$ 22 88 \$ 22 88	\$ 0 00 \$ 0 00	
125001350	5	HONG KONG&CHINA GAS SP ADR CASH IN LIEU OF 50000 RECORD 05/14/10 PAY 06/08/10	08/14/01	06/08/10	1 12	43 43	69 69	0 00 0 00	
125001360	8	HONG KONG&CHINA GAS SP ADR VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/14/01	12/09/10	18 79	6 94 6 94	11 85 11 85	0 00 0 00	
125001370	35	HONG KONG&CHINA GAS SP ADR VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/14/01	12/27/10	81 54	30 36 30 36	51 18 51 18	0 00 0 00	
125001380	10	HUTCHISON WHAMPOA LTD-ADR VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/14/01	12/27/10	509 19	442 00 442 00	67 19 67 19	0 00 0 00	
125001390	20	ING GROEP NV SPONS ADR VS HIGHEST COST	01/11/01	01/06/10	214 39	807 50 807 50	(593 11) (593 11)	0 00 0 00	
	5		11/03/04		53 60	135 09 135 09	(81 49) (81 49)	0 00 0 00	
	25		05/11/05		267 99	684 95 684 95	(416 96) (416 96)	0 00 0 00	
	10		01/15/08		107 20	385 55 385 55	(278 35) (278 35)	0 00 0 00	
	34		11/21/08		364 47	233 51 233 51	130 96 130 96	0 00 0 00	
125001400	40	ING GROEP NV SPONS ADR VS HIGHEST COST	11/21/08	04/07/10	412 79	274 72 274 72	138 07 138 07	0 00 0 00	
125001410	5	ING GROEP NV SPONS ADR VS HIGHEST COST	11/21/08	12/09/10	50 59	34 34 34 34	16 25 16 25	0 00 0 00	
125001420	20	ING GROEP NV SPONS ADR VS HIGHEST COST	11/21/08	12/27/10	190 39	137 36 137 36	53 03 53 03	0 00 0 00	
125001430	15	INTEL CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	10/08/99	01/06/10	311 54	568 60 568 60	(257 06) (257 06)	0 00 0 00	
125001440	40	INTEL CORP	10/08/99	01/15/10	839 69	1,516 28 1,516 28	(676 59) (676 59)	0 00 0 00	
	115	VSP 01/01/01 PRICE 400 CGMI AND/OR ITS AFFILIATES	06/12/02		2,414 11	2,421 90 2,421 90	(7 79) (7 79)	0 00 0 00	

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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)
125001450	15	INTEL CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	06/12/02	05/06/10	\$ 322.49	\$ 315.90 \$ 315.90	\$ 6.59 \$ 6.59	\$ 0.00 \$ 0.00
125001460	85	INTEL CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	06/12/02	08/19/10	1,613.82	1,790.10 1,790.10	(176.28) (176.28)	0.00 0.00
125001490	10	JONES LANG LASALLE INC VS HIGHEST COST	07/01/09	12/27/10	847.38	332.04 332.04	515.34 515.34	0.00 0.00
125001500	11	JUNIPER NETWORKS INC VS HIGHEST COST	10/23/08 11/07/08	04/07/10	349.57 444.91	194.58 239.58 239.58	154.99 154.99 205.33	0.00 0.00 0.00
125001510	10	KEYCORP -NEW VS HIGHEST COST	10/28/09	12/09/10	82.39	55.80 55.80	26.59 26.59	0.00 0.00
125001520	35	KEYCORP -NEW VS HIGHEST COST	10/28/09	12/27/10	298.89	195.29 195.29	103.60 103.60	0.00 0.00
125001530	5	KONINKLIJKE PHILIPS ELECTRONICS NS SPON ADR NEW VS HIGHEST COST	08/14/01	01/06/10	151.79	136.10 136.10	15.69 15.69	0.00 0.00
125001540	10	KONINKLIJKE PHILIPS ELECTRONICS NS SPON ADR NEW VS HIGHEST COST	08/14/01	12/27/10	300.89	272.20 272.20	28.69 28.69	0.00 0.00
125001550	8	LASALLE HOTEL PPTYS SBI VS HIGHEST COST	10/29/08	01/06/10	167.75	80.54 80.54	87.21 87.21	0.00 0.00
125001560	2	LASALLE HOTEL PPTYS SBI	10/29/08	09/01/10	42.39	20.14 20.14	22.25 22.25	0.00 0.00
	10		11/12/08		211.96	89.13 89.13	122.83 122.83	0.00 0.00
	5		11/13/08		105.98	44.57 44.57	61.41 61.41	0.00 0.00
	5		11/21/08		105.98	40.78 40.78	65.20 65.20	0.00 0.00
125001570	5	LASALLE HOTEL PPTYS SBI	11/21/08	09/02/10	105.99	40.77 40.77	65.22 65.22	0.00 0.00
	3		03/25/09		63.59	16.33 16.33	47.26 47.26	0.00 0.00

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Ref. 00011404 00091505

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

Details of Long-Term Gain (Loss) 2010 - continued

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

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)
125001580	10	LAWSON SOFTWARE INC NEW VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	05/05/08	12/27/10	\$ 95.09	\$ 79.97	\$ 15.12	\$ 0.00
125001590	3	LIBERTY GLOBAL INC CLASS A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	01/17/01	05/06/10	75.54	79.09	(3.55)	0.00
125001600	5.5	LIBERTY GLOBAL INC CLASS A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	01/11/01	12/27/10	192.38	138.37	54.01	0.00
	2	CGMI AND/OR ITS AFFILIATES	01/17/01		69.96	52.73	17.23	0.00
	.5		02/23/01		17.49	11.58	5.91	0.00
	2		12/13/02		69.96	29.95	40.01	0.00
125001610	9	LIBERTY MEDIA HLDG CORP INTERACTIVE SER A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	01/11/01	01/06/10	102.69	225.61	(122.92)	0.00
	25		01/17/01		285.24	656.77	(371.53)	0.00
125001620	28.5	LIBERTY MEDIA HLDG CORP INTERACTIVE SER A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	01/11/01	04/07/10	454.56	714.42	(259.86)	0.00
	2.5		02/23/01		39.87	57.72	(17.85)	0.00
	9		03/17/08		143.55	144.44	(.89)	0.00
125001630	5	LIBERTY MEDIA HLDG CORP INTERACTIVE SER A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	03/17/08	12/09/10	79.69	80.25	(.56)	0.00
125001640	14	LIBERTY MEDIA HLDG CORP INTERACTIVE SER A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	03/14/08	12/27/10	222.59	222.99	(.40)	0.00
	1		03/17/08		15.90	16.05	(.15)	0.00
125001650	5	LIBERTY MEDIA HLDG CORP CAP SER A VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	01/17/01	01/06/10	126.20	77.45	48.75	0.00
	15		06/04/08		378.58	224.54	154.04	0.00
						224.54	154.04	0.00

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091506

THE STEPHEN D. FALKENBURY JR

Account Number 606-06849-14 268

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

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)
125001660	7.5	LIBERTY MEDIA HLDG CORP CAP SER A	01/11/01	04/07/10	\$ 281.47	\$ 110.85	\$ 170.62	\$ 0.00
	5	VS HIGHEST COST	02/23/01		18.76	6.81	11.95	0.00
	7	CGMI AND/OR ITS AFFILIATES	06/04/08		262.70	104.79	157.91	0.00
125001670	10	LIBERTY MEDIA HLDG CORP CAP SER A	05/01/09	12/27/10	633.58	122.69	510.89	0.00
		VS HIGHEST COST				122.69	510.89	0.00
125001680	2	LIBERTY MEDIA CORP LIBERTY STARZ SER A	02/23/01	12/09/10	12.87	5.17	7.70	0.00
	1.8	VS HIGHEST COST	12/13/02		115.82	30.08	85.74	0.00
		CGMI AND/OR ITS AFFILIATES				30.08	85.74	0.00
125001690	3	LIBERTY MEDIA CORP LIBERTY STARZ SER A	12/13/02	12/27/10	198.69	50.14	148.55	0.00
	5	VS HIGHEST COST	11/21/08		331.14	50.14	148.55	0.00
		CGMI AND/OR ITS AFFILIATES				74.39	256.75	0.00
125001700	5	MADISON SQUARE GARDEN INC CASH IN LIEU OF 50000 RECORD 01/25/10 PAY 02/09/10 FROM 12686C109000 (SPINOFF)	09/12/02	02/10/10	9.81	.20	9.61	0.00
125001710	2	MADISON SQUARE GARDEN INC VS HIGHEST COST	09/12/02	12/09/10	48.97	.79	48.18	0.00
		CGMI AND/OR ITS AFFILIATES				.79	48.18	0.00
125001720	15	MADISON SQUARE GARDEN INC VS HIGHEST COST	09/12/02	12/27/10	372.74	5.90	366.84	0.00
		CGMI AND/OR ITS AFFILIATES				5.90	366.84	0.00
125001730	15	MARRIOTT INTL INC NEW CL A	03/24/09	06/25/10	482.84	258.15	224.69	0.00
125001740	5	METTLER TOLEDO INTL INC VS HIGHEST COST	09/27/02	01/06/10	513.78	135.99	377.79	0.00
125001750	3	METTLER TOLEDO INTL INC VS HIGHEST COST	09/27/02	12/27/10	458.57	81.60	376.97	0.00
		VS HIGHEST COST				81.60	376.97	0.00
125001760	10	MICROSOFT CORP VS HIGHEST COST	04/25/00	01/06/10	306.49	349.23	(42.74)	0.00
		CGMI AND/OR ITS AFFILIATES				349.23	(42.74)	0.00

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091507

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted	Original Gain/(Loss) Capital Gain/(Loss)	Ordinary Income
125001770	5	MICROSOFT CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	04/25/00	12/09/10	\$ 135.29	\$ 174.61 \$ 174.61	(\$ 39.32) (\$ 39.32)	\$ 0.00 \$ 0.00
125001780	35	MICROSOFT CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	04/25/00	12/27/10	984.18	1,222.29 1,222.29	(238.11) (238.11)	0.00 0.00
125001790	6	MORGAN STANLEY VS HIGHEST COST THE ISSUER MAY BE DEEMED TO CONTROL, BE CONTROLLED BY, OR	11/04/09	12/27/10	164.87	191.63 191.63	(26.76) (26.76)	0.00 0.00
125001800	2	MURPHY OIL CORP	09/10/08	06/02/10	101.87	132.74 132.74	(30.87) (30.87)	0.00 0.00
	4		09/11/08		203.75	266.32 266.32	(62.57) (62.57)	0.00 0.00
125001810	10	NASDAQ OMX GROUP INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	05/08/08	04/07/10	214.09	389.98 389.98	(175.89) (175.89)	0.00 0.00
125001820	5	NASDAQ OMX GROUP INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	05/08/08	12/09/10	113.10	194.99 194.99	(81.89) (81.89)	0.00 0.00
125001830	20	NASDAQ OMX GROUP INC VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	05/08/08	12/27/10	478.39	779.95 779.95	(301.56) (301.56)	0.00 0.00
125001840	10	NATIONAL BK GREECE S A SPONS ADR VS HIGHEST COST	08/24/05	01/06/10	55.99	70.00 70.00	(14.01) (14.01)	0.00 0.00
125001850	83	NATIONAL BK GREECE S A SPONS ADR	08/24/05	05/04/10	234.35	581.00 581.00	(346.65) (346.65)	0.00 0.00
	27		11/21/08		76.24	89.64 89.64	(13.40) (13.40)	0.00 0.00
125001860	5	NATIONAL OILWELL VARCO INC VS HIGHEST COST	02/23/01	01/06/10	237.15	190.53 190.53	46.62 46.62	0.00 0.00
125001870	15	NATIONAL OILWELL VARCO INC VS HIGHEST COST	02/23/01	02/09/10	641.24	571.59 571.59	69.65 69.65	0.00 0.00
125001880	5	NATIONAL OILWELL VARCO INC VS HIGHEST COST	02/23/01	12/27/10	324.99	190.53 190.53	134.46 134.46	0.00 0.00

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091508

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

Details of Long Term Gain/Loss 2010 - continued

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

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)
125001890	5	NESTLE S A SPONSORED ADR VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/14/01	12/27/10	\$ 294.49	\$ 111.40	\$ 183.09	\$ 0.00
125001900	30	NEWS CORP CLASS B NEW VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	05/06/08	01/06/10	492.58	577.50	(84.92)	0.00
125001910	50	NEWS CORP CLASS B NEW VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/14/01	02/09/10	757.49	915.25	(157.76)	0.00
125001920	10	NEWS CORP CLASS B NEW VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	08/14/01	12/27/10	162.99	183.05	(20.06)	0.00
125001930	15	NIPPON TEL & TEL SPON ADR	01/11/01	05/12/10	305.76	505.31	(199.55)	0.00
	10		01/09/03		203.84	182.35	21.49	0.00
	15		04/18/05		305.76	302.45	3.31	0.00
						302.45	3.31	0.00
125001950	2	NOVO-NORDISK A S ADR VS HIGHEST COST	01/11/01	01/06/10	131.11	35.45	95.66	0.00
125001960	3	NOVO-NORDISK A S ADR VS HIGHEST COST	01/11/01	04/07/10	238.46	53.17	185.29	0.00
125001970	4	NOVO-NORDISK A S ADR	01/11/01	10/19/10	366.40	70.90	295.50	0.00
125001980	1	NOVO-NORDISK A S ADR VS HIGHEST COST	01/11/01	12/09/10	102.91	17.73	85.18	0.00
125001990	50	NVIDIA CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	06/04/08	01/06/10	942.97	1,204.44	(261.47)	0.00
125002000	20	NVIDIA CORP VS HIGHEST COST CGMI AND/OR ITS AFFILIATES	06/04/08	12/27/10	300.59	481.78	(181.19)	0.00
125002010	5	ORIX CORP SPONS ADR VS HIGHEST COST	04/14/05	12/27/10	236.99	336.78	(99.79)	0.00
125002020	5	PALL CORP VS HIGHEST COST	05/19/08	01/06/10	183.69	193.49	(9.80)	0.00

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref. 00011404 00091509

THE STEPHEN D. FALKENBURY JR

Account Number 606-06849-14 268

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

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) Capital	Ordinary Income
125002030	5	PALL CORP VS HIGHEST COST	05/21/08	12/09/10	\$ 241.54	\$ 192.92	\$ 48.62	\$ 0.00
125002040	5	PALL CORP VS HIGHEST COST	05/21/08	12/27/10	249.20	192.91	56.29	0.00
	5		11/21/08		249.19	117.73	131.46	0.00
						117.73	131.46	0.00
125002050	3	PARKER-HANFIFIN CORP VS HIGHEST COST	05/01/09	12/27/10	257.78	137.97	119.81	0.00
125002060	10	PROCTER & GAMBLE CO VS HIGHEST COST	01/06/06	12/27/10	645.58	586.05	59.53	0.00
125002070	10	QUALCOMM INC VSP 01/01/01 PRICE 400	10/06/08	06/02/10	356.52	398.74	(42.22)	0.00
	20	CGMI AND/OR ITS AFFILIATES	10/07/08		713.04	821.47	(108.43)	0.00
						821.47	(108.43)	0.00
125002080	35	QUALCOMM INC VSP 01/01/01 PRICE 400	10/17/08	06/10/10	1,214.25	1,390.47	(176.22)	0.00
		CGMI AND/OR ITS AFFILIATES				1,390.47	(176.22)	0.00
125002090	15	QUALCOMM INC VSP 01/01/01 PRICE 400	10/17/08	06/21/10	536.37	595.91	(59.54)	0.00
		CGMI AND/OR ITS AFFILIATES				595.91	(59.54)	0.00
125002100	25	QUALCOMM INC VSP 01/01/01 PRICE 400	10/10/08	07/12/10	876.31	947.07	(70.76)	0.00
		CGMI AND/OR ITS AFFILIATES				947.07	(70.76)	0.00
125002120	11	ROBERT HALF INTERNATIONAL INC	09/24/08	06/25/10	277.31	285.45	(8.14)	0.00
						285.45	(8.14)	0.00
125002130	4	ROBERT HALF INTERNATIONAL INC	09/24/08	06/28/10	100.08	103.80	(3.72)	0.00
						103.80	(3.72)	0.00
125002140	25	ROCHE HLDG LTD SPON ADR CGMI AND/OR ITS AFFILIATES	09/16/08	06/11/10	855.06	1,023.27	(168.21)	0.00
						1,023.27	(168.21)	0.00
125002150	15	ROCHE HLDG LTD SPON ADR VSP 01/01/01 PRICE 400	09/16/08	07/23/10	487.18	613.97	(126.79)	0.00
		CGMI AND/OR ITS AFFILIATES				613.97	(126.79)	0.00

Reserved Client Statement 2010 Year End Summary

MorganStanley
SmithBarney

Ref: 00011404 00091510

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

2010 YEAR END SUMMARY

Details of Long 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)
125002160	5	ROCHE HLDG LTD SPON ADR VSP 01/01/01 PRICE 400	09/16/08	09/28/10	\$ 165 89	\$ 204 65	(\$ 38 76)	\$ 0 00
	5	CGMI AND/OR ITS AFFILIATES	09/16/08		165 89	204 65	(38 76)	0 00
	20		11/21/08		663 57	204 65	(38 76)	0 00
	30		03/27/09		995 36	633 01	30 56	0 00
						982 77	12 59	0 00
							12 59	0 00
125002170	25	SANDISK CORP VS HIGHEST COST	02/04/04	01/06/10	789 22	624 19	165 03	0 00
		CGMI AND/OR ITS AFFILIATES				624 19	165 03	0 00
125002180	35	SANDISK CORP VS HIGHEST COST	02/04/04	02/09/10	934 89	873 86	61 03	0 00
		CGMI AND/OR ITS AFFILIATES				873 86	61 03	0 00
125002190	10	SANDISK CORP VS HIGHEST COST	02/04/04	12/27/10	510 19	249 68	260 51	0 00
		CGMI AND/OR ITS AFFILIATES				249 68	260 51	0 00
125002200	5	SAP AG SPONS ADR-USD VS HIGHEST COST	08/14/01	12/27/10	252 59	185 15	67 44	0 00
						185 15	67 44	0 00
125002220	10	SEARS HOLDINGS CORPORATION VS HIGHEST COST	11/21/08	04/07/10	1,068 58	303 53	765 05	0 00
		CGMI AND/OR ITS AFFILIATES				303 53	765 05	0 00
125002230	5	SEARS HOLDINGS CORPORATION VSP 01/01/08 PRICE 400	11/21/08	06/10/10	387 98	151 77	236 21	0 00
		CGMI AND/OR ITS AFFILIATES				151 77	236 21	0 00
125002240	7	SEARS HOLDINGS CORPORATION VSP 01/01/08 PRICE 400	11/21/08	06/21/10	527 14	212 47	314 67	0 00
		CGMI AND/OR ITS AFFILIATES				212 47	314 67	0 00
125002250	13	SEARS HOLDINGS CORPORATION VSP 01/01/08 PRICE 400	11/21/08	06/30/10	860 28	394 60	465 68	0 00
		CGMI AND/OR ITS AFFILIATES				394 60	465 68	0 00
125002260	3	SHIRE PLC ADR VS HIGHEST COST	03/05/08	12/27/10	211 16	177 31	33 85	0 00
		CGMI AND/OR ITS AFFILIATES				177 31	33 85	0 00
125002270	5	SMITH & NEPHEW PLC SP ADR VS HIGHEST COST	01/20/05	12/27/10	250 04	247 40	12 64	0 00
						247 40	12 64	0 00
125002280	15	STATE STREET CORP	01/30/03	08/24/10	529 94	590 75	(60 81)	0 00
						590 75	(60 81)	0 00

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Ref: 00011404 00091511

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

2010 YEAR END SUMMARY

Details of Long-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)	Capital Gain/(Loss)	Ordinary Income
125002290	5	STATE STREET CORP	01/30/03	08/25/10	\$ 174.32	\$ 196.91	\$ 196.91	(\$ 22.59)	(\$ 22.59)	\$ 0.00	\$ 0.00
	7		05/01/09		244.05	238.35	238.35	5.70	5.70	0.00	0.00
125002300	9	STATE STREET CORP	05/01/09	08/26/10	316.03	306.44	306.44	9.59	9.59	0.00	0.00
125002310	8	STATE STREET CORP	05/01/09	08/27/10	282.81	272.40	272.40	10.41	10.41	0.00	0.00
125002320	8	STATE STREET CORP	05/01/09	08/27/10	282.81	272.40	272.40	10.41	10.41	0.00	0.00
125002330	3	STATE STREET CORP	05/01/09	08/30/10	105.35	102.15	102.15	3.20	3.20	0.00	0.00
125002340	4	STATE STREET CORP	05/01/09	08/31/10	138.87	136.19	136.19	2.68	2.68	0.00	0.00
125002350	1	STATE STREET CORP	05/01/09	09/01/10	35.70	34.05	34.05	1.65	1.65	0.00	0.00
125002370	29,9998	TAIWAN SEMICONDUCTOR MFG CO LTD ADR	08/07/03	01/25/10	304.56	238.26	238.26	66.30	66.30	0.00	0.00
	155 0002		02/26/04		1,573.59	1,303.47	1,303.47	270.12	270.12	0.00	0.00
125002380	5	TESCO PLC SPONSORED ADR VS HIGHEST COST	10/09/02	12/27/10	100.09	46.25	46.25	53.84	53.84	0.00	0.00
125002390	30	CGMI AND/OR ITS AFFILIATES TEXAS INSTRUMENTS INC	02/28/07	01/06/10	770.68	929.80	929.80	(159.12)	(159.12)	0.00	0.00
125002400	40	TEXAS INSTRUMENTS INC VS HIGHEST COST	02/28/07	02/09/10	935.66	1,239.73	1,239.73	(304.07)	(304.07)	0.00	0.00
125002410	30	TEXAS INSTRUMENTS INC VS HIGHEST COST	02/28/07	12/09/10	1,009.78	929.80	929.80	79.98	79.98	0.00	0.00
	35		07/23/08		1,178.08	874.55	874.55	303.53	303.53	0.00	0.00
125002420	6	TUTOR PERINI CORP	10/03/08	09/23/10	120.42	131.61	131.61	(11.19)	(11.19)	0.00	0.00
125002430	6	TUTOR PERINI CORP	10/06/08	09/24/10	119.17	125.63	125.63	(6.46)	(6.46)	0.00	0.00
125002440	6	TUTOR PERINI CORP	10/06/08	09/27/10	119.19	125.63	125.63	(6.44)	(6.44)	0.00	0.00

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Ref 00011404 00091512

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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

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)
125002450	2	TUTOR PERINI CORP	10/06/08	09/28/10	\$ 39 71	\$ 41 88	(\$ 2 17)	\$ 0 00
						\$ 41 88	(\$ 2 17)	\$ 0 00
	2		06/24/09		39 71	35 95	3 76	0 00
						35 95	3 76	0 00
	3		06/26/09		59 57	53 52	6 05	0 00
						53 52	6 05	0 00
125002460	5	TUTOR PERINI CORP	06/26/09	09/29/10	99 46	89 19	10 27	0 00
						89 19	10 27	0 00
125002490	3,000	U S TREASURY NOTES SER E-2016 DTD 8/15/2006 DUE 08/15/2016 RATE 4.875 YIELD 1.620MTY	04/10/07	08/20/10	3,554 20	3,034 84	519 36	0 00
						3,024 06	530 14	530 14
125002550	10	UNITEDHEALTH GROUP INC	01/11/01	02/09/10	329 71	138 12	191 59	0 00
						138 12	191 59	0 00
	30	VS HIGHEST COST	11/21/08		989 15	512 06	477 09	0 00
						512 06	477 09	0 00
125002560	15	UNITEDHEALTH GROUP INC	01/11/01	12/27/10	533 24	207 19	326 05	0 00
						207 19	326 05	0 00
125002570	5	VARIAN SEMICONDUCTOR EQUIPMENT ASSOC INC	01/02/09	02/16/10	155 75	92 42	63 33	0 00
						92 42	63 33	0 00
125002580	3	VARIAN SEMICONDUCTOR EQUIPMENT CGMI AND/OR ITS AFFILIATES	01/02/09	02/18/10	93 44	55 45	37 99	0 00
						55 45	37 99	0 00
125002590	2	VARIAN SEMICONDUCTOR EQUIPMENT ASSOC INC	01/02/09	02/19/10	62 30	36 97	25 33	0 00
						36 97	25 33	0 00
125002600	6	VERTEX PHARMACEUTICALS INC	11/03/08	02/09/10	226 92	162 95	63 97	0 00
						162 95	63 97	0 00
	1	VS HIGHEST COST	11/04/08		37 82	27 00	10 82	0 00
						27 00	10 82	0 00
	1	CGMI AND/OR ITS AFFILIATES	11/05/08		37 82	27 42	10 40	0 00
						27 42	10 40	0 00
	4		11/11/08		151 28	107 85	43 43	0 00
						107 85	43 43	0 00
	3		11/12/08		113 45	80 19	33 26	0 00
						80 19	33 26	0 00

Reserved Client Statement 2010 Year End Summary

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MorganStanley
SmithBarney

Ref. 00011404 00091513

THE STEPHEN D. FALKENBURY JR
Account Number 606-06849-14 268

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

Details of Long-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)
125002610	20	VODAFONE GROUP PLC SPONS ADR NEW VS HIGHEST COST	05/03/06	12/27/10	\$ 531.99	\$ 528.92 \$ 528.92	\$ 3.07 \$ 3.07	\$ 0.00 \$ 0.00
125002620	22	CGMI AND/OR ITS AFFILIATES WEYERHAEUSER CO VS HIGHEST COST	02/02/01	12/27/10	411.17	1,144.21 1,144.21	(733.04) (733.04)	0.00 0.00
125002630	32	WILLIAMS SONOMA INC	11/21/08	01/14/10	697.90	156.72 156.72	541.18 541.18	0.00 0.00
125002640	18	WILLIAMS SONOMA INC	11/21/08	01/15/10	375.06	88.16 88.16	286.90 286.90	0.00 0.00
Total					\$ 140,527.93	\$ 118,941.82 \$ 118,812.72	\$ 21,586.11 \$ 21,715.21	\$ 0.00 \$ 832.61

R The basis for this tax lot has been adjusted due to a reclassification of income

Details of Accrued Income 2010

This section shows your accrued income paid or received as a result of purchases and sales

Reference number	Transaction Description	Trade Date	Interest Paid	Interest Received
120014600	FEDERAL HOME LOAN MTG CORP GLOBAL DEB-BK/ENTRY DTD 01/14/2002 DUE 01/15/2012 RATE 5.750	10/28/10	\$ 16.61	
120014700	FEDERAL HOME LOAN MTG CORP BK/ENTRY DTD 1/17/03 DUE 01/15/2013 RATE 4.500	08/11/10	13.50	
120014800	FEDERAL NATL MTG ASSN BENCHMARK NOTES-BK/ENTRY DTD 05/25/2001 DUE 05/15/2011 RATE 6.000	02/01/10		51.33

• 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		Employer identification number
	STEPHEN D. FALKENBURY JR. FOUNDATION		56-2201996
	Number, street, and room or suite no. If a P.O. box, see instructions		
	810 SHETLAND PLACE NW		
	City, town or post office, state, and ZIP code. For a foreign address, see instructions		
	CONCORD, NC 28027-7578		

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.

JOHN W. FALKENBURY

• The books are in the care of ☒ 810 SHETLAND PLACE NW, CONCORD NC - 28027-7578

Telephone No ☒ 704-904-0108

FAX No ☐

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2011

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 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	\$	0.
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	\$	0.
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 ☐

Title ☒ CPA

Date ☐

Form 8868 (Rev. 1-2011)