Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning , 2010, and ending , 20

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: M & I FOUNDATION INC

A Employer identification number: 56-6050267

Number and street (or P O box number if mail is not delivered to street address): 2815 N. WILLIAM ST.

Room/suite

B Telephone number (see page 10 of the instructions)

City or town, state, and ZIP code: GOLDSBORO NC 27530

C If exemption application is pending, check here ▶ ☐

D 1 Foreign organizations, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 7418368.02

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	316.64	316.64		
	4 Dividends and interest from securities	166342.63	166342.63		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	177409.65			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		177409.65		
	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) (attach schedule)				
	11 Other income (attach schedule)	1000.00			
	12 Total. Add lines 1 through 11	345068.92	344068.92		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	750.00	750.00		
	c Other professional fees (attach schedule)	35571.80	35571.80		
	17 Interest	150.24	150.24		
	18 Taxes (attach schedule) (see page 14 of the instructions)	4888.90	1891.96		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	12.00	12.00		
	24 Total operating and administrative expenses. Add lines 13 through 23	41372.94	38371.00		
	25 Contributions, gifts, grants paid	324700.00			324700.00
	26 Total expenses and disbursements. Add lines 24 and 25	366072.94	38371.00		
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	(21003.02)			
	b Net investment income (if negative, enter -0-)		305697.92		
	c Adjusted net income (if negative, enter -0-)				

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Part II Balance Sheets

	Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)	Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
1	Cash—non-interest-bearing	7475.32	10013.32	10013.32
2	Savings and temporary cash investments	523079.55	248543.85	24854385
3	Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
4	Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
7	Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges	8019.52	5022 58	5022.58
10a	Investments—U.S. and state government obligations (attach schedule)			
b	Investments—corporate stock (attach schedule)	6164501.59	6414426 62	7154728 37
c	Investments—corporate bonds (attach schedule)			
11	Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)			
14	Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)			
16	Total assets (to be completed by all filers—see the instructions Also see page 1, item I)	6703075 98	6678006 37	74183081.72
17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	Total liabilities (add lines 17 through 22)			
	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	6703075.98	6678006 37	
30	Total net assets or fund balances (see page 17 of the instructions)	6703075.98	6678006 37	
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	6703075.98	6678006 37	

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	6703075 98
2	Enter amount from Part I, line 27a	2	(27003 02)
3	Other increases not included in line 2 (itemize) ▶	3	1933 41
4	Add lines 1, 2, and 3	4	6678006 37
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	6678006.37

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	(SCHEDULE)			
b	(SCHEDULE)			
c	(SCHEDULE)			
d	CAPITAL GAIN DISTRIBUTIONS			
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				67987.59
b				156095.73
c				(71136.53)
d				24462.86
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 — 177409.65

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8 — 3

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☐ No

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col. (c))
2009	220500.00	6464096 36	.034112
2008	360443.20	7236280 34	.049811
2007	266550 00	8660363 95	.030779
2006	246358 00	4664503 69	.051530
2005	87080.28	1956541.64	.044508

2	Total of line 1, column (d)	2	.210740
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	.042148
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	7357888 18
5	Multiply line 4 by line 3	5	310120 77
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2996 94
7	Add lines 5 and 6	7	313117 71
8	Enter qualifying distributions from Part XII, line 4	8	324700.00

If line 8 is equal to or greater than line 7, check the box in Part VI line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ________ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	2996	94
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		
3	Add lines 1 and 2	3	2996	94
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	2996	94
6	Credits/Payments:			
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a — 8019 52			
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	8019	52
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9		
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	5022	58
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 5022 58 **Refunded** ▶	11		

Part VII-A Statements Regarding Activities

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

Part VII-A Statements Regarding Activities *(continued)*

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

Website address ▶

14 The books are in care of ▶ MARCELLUS T. BEST JR Telephone no. ▶ (919) 583-8790
Located at ▶ GOLDSBORO NC ZIP+4 ▶ 27530

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

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. Yes No

1a During the year did the foundation (either directly or indirectly):

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No

(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No

b If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? | 1b | N/A

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

c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? | 1c | | X

2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):

a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes ☒ No
If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____

b Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 22 of the instructions.) | 2b | N/A

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here.
▶ 20____ , 20____ , 20____ , 20____

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No

b If "Yes," did it have excess business holdings in 2010 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)* | 3b | N/A

			Yes	No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b		X

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b** N/A

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

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

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** 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? **7b** N/A

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MARCELLUS J. BEST JR GOLDSBORO NC 27530	PRESIDENT AS REQUIRED	-0-	-0-	-0-
FRANK S BEST GOLDSBORO NC 27530	DIRECTOR AS REQUIRED	-0-	-0-	-0-

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

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

Total number of other employees paid over $50,000 ▶ NONE

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		NONE

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** *(see page 24 of the instructions)*

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions 3 NONE	
Total. Add lines 1 through 3 ▶	NONE

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	6608447.42
b	Average of monthly cash balances	1b	403412.94
c	Fair market value of all other assets (see page 25 of the instructions)	1c	458076.88
d	**Total** (add lines 1a, b, and c)	1d	7469937.24
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	7469937.24
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	112049.06
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7357888.18
6	**Minimum investment return.** Enter 5% of line 5	6	367894.41

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6			1	367894.41
2a	Tax on investment income for 2010 from Part VI, line 5	2a	2996.94		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	2996.94
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	364897.47
4	Recoveries of amounts treated as qualifying distributions			4	1000.00
5	Add lines 3 and 4			5	365897.47
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	365897.47

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	324700.00
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	324700.00
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	2996.94
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	321703.06

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

Part XIII Undistributed Income (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1	Distributable amount for 2010 from Part XI, line 7				365897.47
2	Undistributed income, if any, as of the end of 2010:				
a	Enter amount for 2009 only			322320.12	
b	Total for prior years: 20___,20___,20___				
3	Excess distributions carryover, if any, to 2010:				
a	From 2005 ___				
b	From 2006 ___				
c	From 2007 ___				
d	From 2008 ___				
e	From 2009 ___				
f	**Total** of lines 3a through e				
4	Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 374700				
a	Applied to 2009, but not more than line 2a			322320.12	
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d	Applied to 2010 distributable amount				2379.88
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6	**Enter the net total of each column as indicated below:**				
a	Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b	Prior years' undistributed income. Subtract line 4b from line 2b				
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d	Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e	Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f	Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				363517.59
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8	Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9	**Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a				
10	Analysis of line 9:				
a	Excess from 2006 ___				
b	Excess from 2007 ___				
c	Excess from 2008 ___				
d	Excess from 2009 ___				
e	Excess from 2010 ___				

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

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

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

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

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

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

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

MARCELLUS J. BEST JR. P.O BOX 1136 GOLDSBORO NC 27530 (919) 583 9290

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

NO SPECIFIC FORM REQUIRED

c Any submission deadlines.

NO DEADLINE

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

NO RESTRICTIONS

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
SCHEDULE ATTACHED		T/E	UNRESTRICTED	324700.00
Total ▶ 3a				324700.00
b *Approved for future payment*				
Total ▶ 3b				NONE

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See page 28 of the instructions.)
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	312.64	
4 Dividends and interest from securities			14	16034363	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	177409.65	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)					

13 **Total.** Add line 12, columns (b), (d), and (e) 13 338069.97

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

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

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

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

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

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

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

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

b If "Yes," complete the following schedule.

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

Sign Here

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

Signature of officer or trustee — Date 11-14-2011 — Title President

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
	NORBORNE G. SMITH JR	Norborne G Smith Jr	11-9-11		242-16992
	Firm's name ▶ NORBORNE G. SMITH JR			Firm's EIN ▶ 56-1084070	
	Firm's address ▶ 1500 E ASH ST			Phone no (919) 735 5213	

GOLDSBORO, N.C. 27530
56 1084070

ransactions in Date Sequence *(continued)*

rocess/ ettlement ate	Trade/ Transaction Date	Activity Type	Description	Quantity	Price	Accrued Interest	Amount	CCY
2/30/10		REINVEST CASH INCOME LDMIX	LAZARD DEVELOPING MARKETS EQUITY PORTFOLIO INSTL SHRS 4593 0950 SHRS SHRS PURCH AT $14 85000 RD 12/27 PD 12/29/10	293 695			-4,361 37	USD
2/30/10		REINVEST CASH INCOME LDMIX	LAZARD DEVELOPING MARKETS EQUITY PORTFOLIO INSTL SHRS 4593 0950 SHRS SHRS PURCH AT $14 85000 RD 12/27 PD 12/29/10	50 747			-753 59	USD
12/31/10		FDIC INSURED BANK DEPOSIT USD999997	DREYFUS INSURED DEPOSIT PROGRAM A				-460 16	USD
Total Value of all Transactions						**$0.00**	**$0.00**	

The price and quantity displayed may have been rounded.

ichedule of Realized Gains and Losses Year-to-Date

Disposition Date	Acquisition Date	Closing Transaction	Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Short Term								
07/01/10	01/29/10	SELL	SPDR S&P 500 ETF TR TR UNIT	SPY	145 000	15,582 69	14,727 32	-855 37
07/01/10	04/27/10	SELL	SPDR S&P 500 ETF TR TR UNIT	SPY	245 000	29,183 59	24,884 09	-4,299 50
07/01/10	04/27/10	SELL	SPDR S&P 500 ETF TR TR UNIT	SPY	195 000	23,227 76	9,084 88	-14,142 88
07/02/10	09/17/09	SELL	ISHARES TR BARCLAYS AGGREGATE BD FD	AGG	515 000	53,706 26	55,002 02	1,295 76
07/02/10	04/27/10	SELL	ISHARES TR BARCLAYS AGGREGATE BD FD	AGG	130 000	13,597 55	13,884 00	286 45
07/02/10	05/14/10	SELL	ISHARES TR BARCLAYS AGGREGATE BD FD	AGG	625 000	65,739 81	66,750 02	1,010 21
07/02/10	05/27/10	SELL	ISHARES TR BARCLAYS AGGREGATE BD FD	AGG	260 000	27,447 55	27,768 02	320 47
07/02/10	04/27/10	SELL	SPDR S&P MIDCAP 400 ETF TR UNIT SER	MDY	330 000	49,766 71	42,088 49	-7,678 22
07/27/10	07/02/10	SELL	HIGHBRIDGE STATISTICAL MARKET	HSKSX	7,715 210	119,200 00	119,070 84	-129 16
07/28/10	07/02/10	SELL	DRIEHAUS ACTIVE INCOME FUND	LCMAX	3,294 011	35,740 32	36,299 00	558 68
08/25/10	07/28/10	SELL	ABERDEEN EQUITY LONG SHORT FUND	MLSAX	3,459 062	37,600.00	37,444 23	-155 77
08/26/10	07/02/10	SELL	ABSOLUTE STRATEGIES FUND INSTITUTIONAL	ASFIX	5,504 241	57,795 02	58,399 00	603 98
08/26/10	07/28/10	SELL	ISHARES TR RUSSELL 2000 INDEX FD	IWM	565 000	36,929 40	34,101 82	-2,827 58
10/06/10	05/27/10	SELL	ISHARES TR BARCLAYS AGGREGATE BD FD	AGG	1,540 000	162,573 95	167,194 97	4,621 02
11/10/10	04/15/10	SELL	ISHARES TR MSCI EMERGING MKTS INDEX	EEM	630 000	27,570.56	30,258 39	2,687 83
11/10/10	07/26/10	SELL	ISHARES TR MSCI EMERGING MKTS INDEX	EEM	600 000	24,816 64	28,817 51	4,000 87
11/10/10	10/06/10	SELL	ISHARES TR MSCI EMERGING MKTS INDEX	EEM	350 000	16,138 50	16,810 21	671.71
11/10/10	07/02/10	SELL	MAINSTAY LARGE-CAP GROWTH FUND CLASS I	MLAIX	12,432.916	69,501.00	86,781 75	17,280 75
11/10/10	08/26/10	SELL	SPDR SER TR S&P DIVID ETF	SDY	1,190 000	55,361.70	61,628 70	6,267 00

Schedule of Realized Gains and Losses Year-to-Date *(continued)*

Disposition Date	Acquisition Date	Closing Transaction	Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Short Term *(continued)*								
11/10/10	10/06/10	SELL	SPDR SER TR S&P DIVID ETF	SDY	1,650.000	84,282 00	85,451 56	1,169 56
11/10/10	10/07/10	SELL	SPDR SER TR S&P DIVID ETF	SDY	240 000	12,238 92	12,429 32	190 40
Total Short Term						**$1,017,999.93**	**$1,028,876.14**	**$10,876.21**
Long Term								
07/01/10	11/06/08	SELL	ISHARES TR MSCI EAFE INDEX FD	EFA	700 000	29,594 81	32,615 01	3,020 20
07/01/10	11/06/08	SELL	ISHARES TR MSCI EAFE INDEX FD	EFA	400 000	16,911 32	18,636 72	1,725 40
07/02/10	11/10/08	SELL	ISHARES TR BARCLAYS AGGREGATE BD FD	AGG	2,320 000	223,810 40	247,776 08	23,965 68
07/02/10	01/07/09	SELL	*PIMCO TOTAL RETURN FUND INSTITUTIONAL	PTTRX	11,899 238	122,562 15	133,865 66	11,303 51
07/02/10	02/02/09	SELL	*PIMCO TOTAL RETURN FUND INSTITUTIONAL	PTTRX	53 986	547 96	607 34	59 38
07/02/10	03/02/09	SELL	*PIMCO TOTAL RETURN FUND INSTITUTIONAL	PTTRX	69 180	692 49	778 27	85 78
07/02/10	04/01/09	SELL	*PIMCO TOTAL RETURN FUND INSTITUTIONAL	PTTRX	66 753	676 21	750 97	74 76
07/02/10	04/17/09	SELL	*PIMCO TOTAL RETURN FUND INSTITUTIONAL	PTTRX	3,341 954	34,021 09	37,596 76	3,575 67
07/28/10	04/17/09	SELL	*PIMCO TOTAL RETURN FUND INSTITUTIONAL	PTTRX	951 542	9,686 70	10,799 00	1,112 30
08/26/10	11/06/08	SELL	BARCLAYS BK PLC IPATH INDEX LKD TO	DJP	620 000	24,232.94	24,274 74	41 80
11/10/10	06/09/09	SELL	MAINSTAY LARGE-CAP GROWTH FUND CLASS I	MLAIX	6,901 643	36,026 57	48,173 47	12,146 90
Total Long Term						**$498,762.64**	**$555,874.02**	**$57,111.38**
Total Short Term and Long Term						**$1,516,762.57**	**$1,584,750.16**	**$67,987.59**

The Schedule of Realized Gains and Losses is not reported to the IRS. This Schedule may not reflect all cost basis adjustments necessary for tax reporting purposes, for example, it does not reflect disallowed losses from wash sale events. Adjustments to cost basis may have been made for prior income received and subsequently reclassified by the issuer as a return of capital. Typically these adjustments are received after year-end and there may be differences in cost basis reflected on your monthly client brokerage statement at year end versus any subsequent reports or online displays you may have available to you Return of capital information has been obtained from sources we believe to be reliable.

When you report your cost basis on your tax return, it should be verified with your own records. In particular, there may be other adjustments which you need to make and you should consult with your tax advisor in order to properly report your gain or loss for tax purposes Pershing shall not be responsible for and makes no representations or warranties with respect to the accuracy of any information that you report to the IRS or other taxing authorities, and, accordingly, disclaims any and all liability that may arise with respect to your use and reliance on the information provided herein for such reporting

Cash Not Yet Received

Security	Record Date	Payable Date	Quantity Held	Rate	Amount of Payment	Dividend Option
Dividends						
SPDR S&P MIDCAP 400 ETF TR UNIT SER 1 STANDARD & POORS	12/21/10	01/31/11	635 000	0 455590	289 30	Cash
Interest						
SPDR S&P 500 ETF TR TR UNIT	12/21/10	01/31/11	1,570 000	0 000653	1 02	Cash
Total Cash Not Yet Received					**$290.32**	

The above information has been obtained from sources we believe to be reliable All items are subject to receipt. We make no representation as to accuracy or completeness Cash Not Yet Received is not reflected as an asset in your account until it is actually received

As of Date: 2/11/11

Account Number: 2882-5524
THE M&J FOUNDATION
RESEARCH MANAGED

Important Realized Gain/Loss Information

This information is provided for courtesy purposes only. Each individual taxpayer should consult with a tax advisor as to any additional reporting requirements or adjustments. NO COST BASIS OR REALIZED GAIN/LOSS INFORMATION IS PROVIDED TO THE IRS, NOR IS THIS INFORMATION VERIFIED OR GUARANTEED BY FIRST CLEARING, LLC TO BE ACCURATE FOR EACH TAXPAYER'S UNIQUE REPORTING REQUIREMENTS. THEREFORE, YOU SHOULD NEVER ASSUME THIS STATEMENT IS ACCURATE IN LIEU OF COMPLETING SCHEDULE D OF YOUR TAX RETURN AND CONSULTING WITH YOUR TAX ADVISOR.

Federal tax reporting requirements will create differences between the information presented here and what appears on your Form 1099-B, including but not limited to the following situations:

* Cost basis for many fixed income tax lots has been amortized (for securities purchased at a premium) or accreted (for securities purchased at a discount), when possible, for applicable securities. For securities that were purchased at an Original Issue Discount (OID), only those positions whose cost basis has been adjusted will reflect the impacts of the OID accruals on the original cost basis The original issue discount amount reported on your Form 1099-OID is not adjusted for market discount, acquisition premium or bond premium Therefore, the amortization and accretion adjustments used on this statement may not be consistent with the Form 1099-OID amount because the reporting requirements on the Form 1099-OID are different.
* The Original Price represents the unadjusted price of the security The Original Price can be used to calculate the original unadjusted cost of the security.
* Short sales are reportable on Form 1099-B before the position is closed
* Long-term capital gains reported by a RIC or REIT appear on Form 1099-DIV only, as noted in the instructions for that form
* Lots closed due to transfers or journals will not be reflected in the Realized Gain/Loss Statement, or on the Form 1099-B.

Realized Gain/Loss Summary	THIS YEAR GAIN	THIS YEAR LOSS	THIS YEAR NET
Short term	56,236 93	-10,835.04	45,401 89
Long term	110,693 84	0.00	110,693 84
Total - Realized Gain/Loss	**$166,930.77**	**-$10,835.04**	**$156,095.73**

Realized Gain/Loss Detail for Year

Short Term

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
DRIEHAUS MUTUAL FUNDS ACTIVE INCOME FUND	630.63100	10.9000	01/19/10	04/09/10	7,000 00	6,873 88	126.12
	6,423 35800	10 9000	01/19/10	05/14/10	70,400.00	70,014.61	385 39
	17,074.45100	10.9000	01/19/10	05/27/10	184,062 58	186,111 51	-2,048 93
Subtotal	**24,128.44000**				**261,462.58**	**263,000.00**	**-1,537.42**

Realized Gain/Loss

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As of Date: 2/11/11

Account Number: 2882-5524
THE M&J FOUNDATION
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Short Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
ISHARES MSCI ACWI ETF INDEX FUND	150 00000	30.9019	04/14/09	01/19/10	6,530 51	4,635.29	1,895 22
	1,382.00000	30.9019	04/14/09	01/28/10	56,067 44	42,706.42	13,361.02
	148.00000	36.0267	07/20/09	01/28/10	6,004.33	5,331.96	672.37
	1,122 00000	36.0267	07/20/09	04/15/10	50,633 65	40,421 95	10,211 70
Subtotal	**2,802.00000**				**119,235.93**	**93,095.62**	**26,140.31**
ISHARES TR -RUSSELL 2000 INDEX FD	620 00000	55.9927	07/30/09	05/20/10	39,863 84	34,715 47	5,148 37
	290 00000	72.4565	04/27/10	05/20/10	18,645.99	21,012 39	-2,366.40
Subtotal	**910.00000**				**58,509.83**	**55,727.86**	**2,781.97**
ISHARES TR MSCI EMERGING MKTS INDEX FD	490.00000	43.7628	04/15/10	05/20/10	17,714 57	21,443.78	-3,729 21
MAINSTAY LARGE CAP GROWTH FUND CLASS I	605 14400	5.2200	06/09/09	04/13/10	4,000 00	3,158.86	841 14
	226.92900	5.2200	06/09/09	04/13/10	1,500.00	1,184.57	315 43
Subtotal	**832.07300**				**5,500.00**	**4,343.43**	**1,156.57**
PIONEER SER TR III CULLEN VALUE FD CL Y	3,027 31400	13 1800	04/17/09	03/04/10	50,646.96	39,900 00	10,746 96
	42.48800	16.6300	12/23/09	03/04/10	710 83	706.58	4 25
Subtotal	**3,069.80200**				**51,357.79**	**40,606.58**	**10,751.21**
SPDR S&P MIDCAP 400 ETF TRUST SERIES N	165.00000	150 8082	04/27/10	05/20/10	22,213 04	24,883 36	-2,670.32
THORNBURG INTL VALUE INTERNATIONAL VALUE FUND CLASS I	2,151 47700	18 8000	04/17/09	02/25/10	51,700 00	40,447 77	11,252 23
	114 15500	18 8000	04/17/09	04/13/10	3,000.00	2,146 12	853 88
	43 87600	21.2200	06/30/09	06/01/10	1,027 13	931 04	96 09
	11 89000	24 2400	09/29/09	06/01/10	278 35	288 22	-9.87

Realized Gain/Loss

As of Date: 2/11/11

Account Number: 2882-5524
THE M&J FOUNDATION
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Short Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
	4.66400	25.6200	03/30/10	06/01/10	109.19	119.50	-10.31
Subtotal	**2,326.06200**				**56,114.67**	**43,932.65**	**12,182.02**
YACKTMAN FUND INC FOCUSED FD	57.93700	16.3200	03/04/10	04/13/10	1,000 00	945 54	54 46
	289 68700	16.3200	03/04/10	04/13/10	5,000 00	4,727 70	272 30
Subtotal	**347.62400**				**6,000.00**	**5,673.24**	**326.76**
Total - Short Term					**$598,108.41**	**$552,706.52**	**$45,401.89**

Long Term

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
ISHARES BARCLAYS AGGREGATE BOND FUND	1,490.00000	96 6149	11/06/08	01/19/10	155,196 42	143.956 20	11,240.22
	910.00000	96 4700	11/10/08	01/19/10	94,784 40	87,787.70	6,996 70
Subtotal	**2,400.00000**				**249,980.82**	**231,743.90**	**18,236.92**
ISHARES TR MSCI EMERGING MKTS INDEX FD	560.00000	22.8300	11/06/08	05/20/10	20,245.22	12,784.80	7,460.42
PIMCO FDS PAC INVT MGMT SER TOTAL RETURN FD INSTL CL	722 12100	10.3000	01/07/09	01/19/10	7,900 00	7,437 85	462 15
THORNBURG INTL VALUE INTERNATIONAL VALUE FUND CLASS I	2,087 43900	18.8000	04/17/09	06/01/10	48,866.94	39,243.83	9,623.11
VANGAURD MID-CAP ETF GROWTH FUND	815.00000	34.2275	11/05/08	04/27/10	44,168 84	27,895.45	16,273.39
VANGUARD GROWTH ETF	40 00000	40.1395	11/06/08	04/15/10	2,299.96	1,605.59	694.37
	1,085 00000	40 1395	11/06/08	04/27/10	61,590.71	43,551.42	18,039.29
Subtotal	**1,125.00000**				**63,890.67**	**45,157.01**	**18,733.66**
VANGUARD MID-CAP VALUE INDEX FUND	850.00000	32 4796	11/06/08	04/27/10	43,102.28	27,607 72	15,494 56

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Realized Gain/Loss

As of Date: 2/11/11

Account Number: 2882-5524
THE M&J FOUNDATION
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Long Term *Continued*

DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
VANGUARD SMALL CAP GROWTH ETF	260 00000	43.1164	11/06/08	04/27/10	18,030 07	11,210.26	6,819 81
VANGUARD SMALL CAP VALUE ETF	255 00000	43 2245	11/06/08	04/27/10	16,431.40	11,022 26	5,409 14
VANGUARD VALUE ETF	1,170 00000	40 8949	11/06/08	04/27/10	60,027.81	47,847.13	12,180.68
Total - Long Term					**$572,644.05**	**$461,950.21**	**$110,693.84**

[illegible] Foundation Inc

Goldsmith [illegible]

Year Ended December 31, [illegible]

		Initials	Date
Prepared By			
Approved By			

	Cost	Amount
Other Income		
Recovery [illegible] Amounts		1000 [illegible]
Taxes and Licenses		
Federal Excise Tax		[illegible]54
Foreign Tax - Passive Income		1891 [illegible]
Total		[illegible]88 40
Other Professional Fees		
Wachovia Securities		[illegible]
Other Deductions		
Bank Service Charge		1700
Investments	Cost	Amount
Wachovia Securities		
Account No. 6817-75	[illegible]	705677
Account No. [illegible]	1894.[illegible]61	707165 [illegible]
Account No. 8125008056	2668 [illegible]	[illegible] 705 473
Hatteras [illegible]	1349 475 77	1591 3[illegible] 75
Granville [illegible]	[illegible]	470 105 85
Total	[illegible]	[illegible] 778 37
[illegible] Expense		
Federal Excise Tax	[illegible]	[illegible]
Total	[illegible]	7159 77 [illegible] 95

	Total
Charity	2010
Barium Springs Childrens Home	$ 1,500.00
Bowdoin College	$ 3,000.00
Boy Scouts of America	$ 10,200.00
Boys and Girls Club of Wayne Co.	$ 15,000.00
Campus Crusade for Christ	$ 500.00
Community Crisis Center	$ 1,000.00
Community Soup Kitchen	$ 1,000.00
Duke University Eye Center	$ 1,000.00
Family YMCA	$ 1,000 00
First Presbyterian Church	$ 75,000.00
Grandfather Children's Home	$ 2,000.00
House of Fordham	$ 1,000.00
Independent College Fund	$ 1,000.00
Lees McRae College	$ 1,000.00
McCallie School	$ 1,000.00
Montreat College	$ 1,000.00
Mount Olive College	$ 2,500 00
Salvation Army	$ 3,500.00
St. Andrews College	$ 1,000.00
Stagestruck	$ 1,000.00
The Wahoo Challenge	$ 5,000.00
Union Theological Seminary	$ 1,000.00
United Church Ministries	$ 1,500.00
WATCH	$ 1,500.00

	Total
Charity	2010
Wayne Community College Foundation	$ 2,000.00
Wayne Country Day School	$ 77,500.00
Wayne County Arts Council	$ 5,000.00
Wayne County Mental Health Association	$ 1,000.00
Wayne County Public Library	$ 1,000.00
Wayne United Way	$ 5,000.00
Young Life of Wayne County	$ 100.000.00
Annual Giving Total	$ 324,700.00

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

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ **File a separate application for each return.**

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

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

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

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

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

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

Type or print	Name of exempt organization M & J FOUNDATION INC	Employer identification number 56 6050267
File by the due date for filing your return See instructions	Number, street, and room or suite no. if a P.O. box, see instructions 2815 NORTH WILLIAM STREET	
	City, town or post office, state, and ZIP code For a foreign address, see instructions GOLDSBORO NC 27530	

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

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

- The books are in the care of ▶ MARCELLUS J BEST JR

Telephone No ▶ (919) 583 9290 FAX No ▶ 919 583 2790

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8-15, 20 11, to file the exempt organization return for the organization named above The extension is for the organization's return for.
▶ ☒ calendar year 20 10 or
▶ ☐ tax year beginning ______, 20 ___, and ending ______, 20 ___

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

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	$ 2460
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit.	3b	$ 8600
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	$ 00

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

● If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box ► ☒
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	Name of Exempt Organization: M AND J FOUNDATION, INC	Employer identification number: 56-6050267
File by the extended due date for filing the return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions: 2815 N. WILLIAM STREET	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions: GOLDSBORO NC 27530	

Check type of return to be filed (File a separate application for each return):

☐ Form 990 ☒ Form 990-PF ☐ Form 1041-A ☐ Form 6069
☐ Form 990-BL ☐ Form 990-T (sec. 401(a) or 408(a) trust) ☐ Form 4720 ☐ Form 8870
☐ Form 990-EZ ☐ Form 990-T (trust other than above) ☐ Form 5227

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

● The books are in the care of ► MARCELLUS J BEST JR
Telephone No. ► (919) 583-9290 FAX No. ► (919) 583-8790
● 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 ______, 20__, and ending ______, 20__.
6 If this tax year 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: TAXPAYER HAS A SUBSTANTIAL INVESTMENT IN A PARTNERSHIP WHOSE INFORMATION WILL NOT BE AVAILABLE UNTIL AFTER AUGUST 31, 2011

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	$ 2400
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	$ 8000
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$ 00

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 ► Marcellus J Best Jr Title ► CPA Date ► 8-17-11