



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

**2010**

Department of the Treasury  
Internal Revenue Service

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

For calendar year **2010**, or tax year beginning \_\_\_\_\_, **2010**, 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 <b>The Hack Foundation, Inc.</b>		<b>A</b> Employer identification number <b>58-1802331</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>P O Box 1658</b>		<b>B</b> Telephone number (see the instructions) <b>(828) 526-8414</b>
City or town <b>Highlands</b>	State ZIP code <b>NC 28741</b>	<b>C</b> If exemption application is pending, check here <input type="checkbox"/>
<b>H</b> Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		<b>D 1</b> Foreign organizations, check here <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ <b>1,804,850.</b>	<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	<b>D 2</b> Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)				
<b>REVENUE</b>				
<b>1</b> Contributions, gifts, grants, etc., received (att sch)				
<b>2</b> Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
<b>3</b> Interest on savings and temporary cash investments				
<b>4</b> Dividends and interest from securities	53,626.	53,626.		
<b>5a</b> Gross rents				
<b>b</b> Net rental income or (loss)	0.			
<b>6a</b> Net gain/(loss) from sale of assets not on line 10	9,127.			
<b>b</b> Gross sales price for all assets on line 6a	30,000.			
<b>7</b> Capital gain net income (from Part IV, line 2)		9,127.		
<b>8</b> Net short-term capital gain				
<b>9</b> Income modifications				
<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less Cost of goods sold				
<b>c</b> Gross profit/(loss) (att sch)				
<b>11</b> Other income (attach schedule)				
<b>12 Total.</b> Add lines 1 through 11	62,753.	62,753.		
<b>ADMINISTRATIVE EXPENSES</b>				
<b>13</b> Compensation of officers, directors, trustees, etc				
<b>14</b> Other employee salaries and wages				
<b>15</b> Pension plans, employee benefits				
<b>16a</b> Legal fees (attach schedule)				
<b>b</b> Accounting fees (attach sch)				
<b>c</b> Other prof fees (attach sch)				
<b>17</b> Interest				
<b>18</b> Taxes (attach schedule) (see inst.)	286.	286.		
<b>19</b> Depreciation (attach sch) and depletion				
<b>20</b> Occupancy				
<b>21</b> Travel, conferences, and meetings				
<b>22</b> Printing and publications				
<b>23</b> Other expenses (attach schedule) See Line 23 Stmt	64.	30.		34.
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	350.	316.		34.
<b>25</b> Contributions, gifts, grants paid	83,650.			83,650.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	84,000.	316.		83,684.
<b>27 Subtract line 26 from line 12:</b>				
<b>a Excess of revenue over expenses and disbursements</b>	-21,247.			
<b>b Net investment income</b> (if negative, enter -0-)		62,437.		
<b>c Adjusted net income</b> (if negative, enter -0-)				

RECEIVED  
MAY 18 2011  
FEDERAL EXCISE  
ORDER UT

SCANNED MAY 25 2011 ADMINISTRATIVE EXPENSES

614  
7

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	14,666.	14,291.	14,291.
	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 the instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) L-10b. Stmt	209,234.	209,235.	413,907.
	c	Investments – corporate bonds (attach schedule) L-10c. Stmt	50,000.	50,000.	50,154.
	11	Investments – land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule) L-13. Stmt	1,315,302.	1,294,429.	1,326,498.	
14	Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe)				
16	<b>Total assets</b> (to be completed by all filers – see instructions. Also, see page 1, item f)	1,589,202.	1,567,955.	1,804,850.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
	23	<b>Total liabilities</b> (add lines 17 through 22)			
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	1,589,202.	1,567,955.	
30	<b>Total net assets or fund balances</b> (see the instructions)	1,589,202.	1,567,955.		
31	<b>Total liabilities and net assets/fund balances</b> (see the instructions)	1,589,202.	1,567,955.		

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)	1,589,202.
2	Enter amount from Part I, line 27a	-21,247.
3	Other increases not included in line 2 (itemize)	
4	Add lines 1, 2, and 3	1,567,955.
5	Decreases not included in line 2 (itemize) <b>▶ Rounding</b>	
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) – Part II, column (b), line 30	1,567,955.

**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 shares MLC Company)

(b) How acquired  
P - Purchase  
D - Donation

(c) Date acquired  
(month, day, year)

(d) Date sold  
(month, day, year)

<b>1a</b> Washington Mutual Investors Fund Class A	P	11/23/93	12/08/10
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

(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)
<b>a</b> 30,000.		20,873.	9,127.
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
<b>a</b>			9,127.
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2</b> 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 ]	<b>2</b>	9,127.
<b>3</b> 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 the instructions). If (loss), enter -0- in Part I, line 8	<b>3</b>	

**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.

(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 (column (b) divided by column (c))
2009		1,426,123.	
2008	77,482.	1,830,709.	0.042323
2007	110,148.	2,213,824.	0.049755
2006	99,000.	2,064,187.	0.047961
2005	121,755.	1,990,025.	0.061183

<b>2</b> Total of line 1, column (d)	<b>2</b>	0.201222
<b>3</b> 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	<b>3</b>	0.050306
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	<b>4</b>	1,619,903.
<b>5</b> Multiply line 4 by line 3	<b>5</b>	81,491.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	624.
<b>7</b> Add lines 5 and 6	<b>7</b>	82,115.
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	83,684.

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 the instructions)**

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	624.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	624.
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	624.
6 Credits/Payments:			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a		0.
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	0.
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached		8	19.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	643.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	0.
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax 0. Refunded		11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a 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
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>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.</i>		X
c Did the foundation file Form 1120-POL for this year?		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? <i>If 'Yes,' attach a detailed description of the activities.</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a 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? <i>If 'Yes,' attach the statement required by General Instruction T.</i>		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? <i>If 'Yes,' complete Part II, column (c), and Part XIV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) ..... ▶ GA - Georgia		
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? <i>If 'No,' attach explanation</i>	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

**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? .....	13	X	
Website address . . . . . ▶ <u>N/A</u>				
14	The books are in care of ▶ <u>Avary Hack Doublday</u> Telephone no. ▶ <u>(828) 526-8414</u> Located at ▶ <u>4220 Dykes Drive, NW, Atlanta, GA</u> ZIP + 4 ▶ <u>30342</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here .....	▶ <input type="checkbox"/>		
and enter the amount of tax-exempt interest received or accrued during the year .....				
▶ <u>15</u>				
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	Yes	No
				X
See 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? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? .....	1b	
Organizations relying on a current notice regarding disaster assistance check here .....		▶ <input type="checkbox"/>	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? .....	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If 'Yes,' list the years ▶ 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 the instructions.) .....	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20__ , 20__ , 20__ , 20__ .		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If 'Yes,' did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.) .....	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? .....	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010? .....	4b	X

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

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

- (1) Carry on propoganda, 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 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 instructions)?

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?  Yes  No  
If 'Yes' to 6b, file Form 8870.

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

**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 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
Frederick C. Hack, Jr. 68 Brams Point Rd Hilton Head Island SC 29926	President 1.00	0.	0.	0.
Avary Hack Doubleday P O Box 1658 Highlands NC 28741	Sec. & Treas. 3.00	0.	0.	0.
Carolyn W. Hack 69 Brams Point Rd Hilton Head Island SC 28741	Director 0.50	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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				
0				
0				
0				
0				

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 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 Making grants was the only activity during 2010.	0.
2 -----	
3 -----	
4 -----	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	0.
2 -----	
3 All other program-related investments. See instructions.	

Total. Add lines 1 through 3 ..... None

BAA

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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b> Average monthly fair market value of securities .....	<b>1a</b>	1,644,572.
<b>b</b> Average of monthly cash balances .....	<b>1b</b>	0.
<b>c</b> Fair market value of all other assets (see instructions) .....	<b>1c</b>	0.
<b>d</b> Total (add lines 1a, b, and c) .....	<b>1d</b>	1,644,572.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) .....	<b>1e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets .....	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d .....	<b>3</b>	1,644,572.
<b>4</b> Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions) .....	<b>4</b>	24,669.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 .....	<b>5</b>	1,619,903.
<b>6</b> Minimum investment return. Enter 5% of line 5 .....	<b>6</b>	80,995.

**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.)

<b>1</b> Minimum investment return from Part X, line 6 .....	<b>1</b>	80,995.
<b>2a</b> Tax on investment income for 2010 from Part VI, line 5 .....	<b>2a</b>	624.
<b>b</b> Income tax for 2010. (This does not include the tax from Part VI.) .....	<b>2b</b>	0.
<b>c</b> Add lines 2a and 2b .....	<b>2c</b>	624.
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1 .....	<b>3</b>	80,371.
<b>4</b> Recoveries of amounts treated as qualifying distributions .....	<b>4</b>	0.
<b>5</b> Add lines 3 and 4 .....	<b>5</b>	80,371.
<b>6</b> Deduction from distributable amount (see instructions) .....	<b>6</b>	0.
<b>7</b> Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 .....	<b>7</b>	80,371.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b> Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26 .....	<b>1a</b>	83,684.
<b>b</b> Program-related investments — total from Part IX-B .....	<b>1b</b>	0.
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes .....	<b>2</b>	0.
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required) .....	<b>3a</b>	0.
<b>b</b> Cash distribution test (attach the required schedule) .....	<b>3b</b>	0.
<b>4</b> Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 .....	<b>4</b>	83,684.
<b>5</b> 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 instructions) .....	<b>5</b>	624.
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4 .....	<b>6</b>	83,060.

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

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
<b>1</b> Distributable amount for 2010 from Part XI, line 7 .....				80,371.
<b>2</b> Undistributed income, if any, as of the end of 2010:				
<b>a</b> Enter amount for 2009 only .....			0.	
<b>b</b> Total for prior years: 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2010:				
<b>a</b> From 2005 .....	0.			
<b>b</b> From 2006 .....	0.			
<b>c</b> From 2007 .....	0.			
<b>d</b> From 2008 .....	0.			
<b>e</b> From 2009 .....	0.			
<b>f</b> Total of lines 3a through e .....	0.			
<b>4</b> Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ <u>83,684.</u>				
<b>a</b> Applied to 2009, but not more than line 2a .....			0.	
<b>b</b> Applied to undistributed income of prior years (Election required – see instructions) .....		0.		
<b>c</b> Treated as distributions out of corpus (Election required – see instructions) .....	0.			
<b>d</b> Applied to 2010 distributable amount .....				77,372.
<b>e</b> Remaining amount distributed out of corpus .....	6,312.			
<b>5</b> Excess distributions carryover applied to 2010 .....	0.			0.
<i>(If an amount appears in column (d), the same amount must be shown in column (a).)</i>				
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 .....	6,312.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b .....		0.		
<b>c</b> 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.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount – see instructions .....		0.		
<b>e</b> Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount – see instructions .....			0.	
<b>f</b> Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011 .....				2,999.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) .....	0.			
<b>8</b> Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions) .....	0.			
<b>9</b> Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a .....	6,312.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2006 .....	0.			
<b>b</b> Excess from 2007 .....	0.			
<b>c</b> Excess from 2008 .....	0.			
<b>d</b> Excess from 2009 .....	0.			
<b>e</b> Excess from 2010 .....	6,312.			

**Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**

N/A

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

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

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

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

**Avary Hack & E. Gerry Doubleday, Carolyn W. & Frederick C. Hack, Jr.  
Deborah S. & O. Byron Hack**

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:

See Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs

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:

**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
<i>a Paid during the year</i>				
Agnes Scott College 141 East College Ave Decatur GA 30030		Nonprofit Corp	Operating Fund	7,500.
Art Center of Coastal Carolina 14 Shelter Cove Lane Hilton Head Is SC 29928		Nonprofit Corp	Community Outreach	1,250.
Art Center of Coastal Carolina Endowment 14 Shelter Cove Lane Hilton Head island SC 29928		Nonprofit Corp	Endowment	2,500.
Blue Ridge Mountains Health Project P O Box 451 Cashiers NC 28717		Nonprofit Corp	Free Dental Care	2,500.
Boys & Girls Clubs 151 Gumtree Rd Hilton Head Island SC 29925		Nonprofit Corp	Operating Fund	500.
Campus Crusade for Christ International 2186 N Salem St Apex NC 27511		Nonprofit Corp	Campus outreach Scholarships	10,000.
Carpe Diem Farms 544 Western Rhodes Dr Highlands NC 28741		Nonprofit Corp	for Underprivileged	2,500.
Chastain Horse Park 4371 Powers Ferry Road Atlanta GA 30327		Nonprofit Corp	Therapeutic Scholarship	500.
Children's Center 145 Matthews Drive Hilton Head Island SC 22926		Nonprofit Corp	Operating Budget	500.
See Line 3a statement				55,900.
<b>Total</b>			<b>3a</b>	<b>83,650.</b>
<i>b Approved for future payment</i>				
Coastal Discovery 100 William Hilton Pkwy Hilton Head Island SC 29926		Nonprofit Corp	Building Fund 1 future payment 2012	2,000.
First Presbyterian Church 540 William Hilton Parkway Hilton Head Island SC 29928		Religious Organization	Building Fund 2 future payments 2012, 2013	16,000.
<b>Total</b>			<b>3b</b>	<b>18,000.</b>





Form 990-PF, Page 1, Part I, Line 23

**Line 23 Stmt**

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Corporate Registration	30.	30.		
Admin	34.			34.
<b>Total</b>	<b>64.</b>	<b>30.</b>		<b>34.</b>

Form 990-PF, Page 6, Part VIII, Line 1

**Information about Officers, Directors, Trustees, Etc.**

(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
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> Deborah S. Hack P O Box 38 Montmorenci SC 29839	Director 0.25	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> E. Gerry Doubleday P O Box 1658 Highlands NC 28741	Director 0.25	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> O. Byron Hack P O Box 38 Montmorenci SC 29839	Director 0.25	0.	0.	0.
<b>Total</b>		<b>0.</b>	<b>0.</b>	<b>0.</b>

Form 990-PF, Page 10, Part XV, Line 2

**Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs**

Name Mrs. Avary Hack Doubleday  
 Address P. O. Box 1658  
 City, St, Zip, Phone Highlands NC 28741 (828) 526-8414

The form in which applications should be submitted and information and materials they should include:  
Letter including program description, sources of support, contact name, address, telephone, email address

Any submission deadlines:

None.

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

No grants made to individuals.

Form 990-PF, Page 10, Part XV, Line 2

Continued

**Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs**

Name ... \_\_\_\_\_  
 Address \_\_\_\_\_  
 City, St, Zip, Phone. \_\_\_\_\_

The form in which applications should be submitted and information and materials they should include: number, and e-mail address. Unsolicited applications may not be acknowledged.

Any submission deadlines:

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

Name . Mrs. Avary Hack Doubleday  
 Address P. O. Box 1658  
 City, St, Zip, Phone Highlands NC 28741 (828) 526-8414

The form in which applications should be submitted and information and materials they should include: Letter including program description, sources of support, contact name, address, email address, telephone number

Any submission deadlines:

None

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

No grants made to individuals.

Form 990-PF, Page 11, Part XV, line 3a

**Line 3a statement**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox  Amount
<u>a Paid during the year</u> <u>Coastal Discovery</u> <u>100 William Hilton Parkway</u> <u>Hilton Head Island SC 29926</u>		<u>Nonprofit</u> <u>Corp</u>	<u>Capital</u> <u>Campaign</u>	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 8,000.
<u>Community Care Clinic</u> <u>P O Box 43</u> <u>Highlands NC 29741</u>		<u>Nonprofit</u> <u>Corp</u>	<u>Healthcare</u> <u>for</u> <u>uninsured</u>	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 6,000.
<u>Episcopal Relief &amp; Development</u> <u>815 Second Avenue</u> <u>New York NY 10017</u>		<u>Religious</u> <u>Organizat</u>	<u>Disaster</u> <u>Relief</u>	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 2,500.
<u>First Presbyterian Church</u> <u>540 William Hilton Parkway</u> <u>Hilton Head Island SC 29928</u>		<u>Religious</u> <u>Organizat</u>	<u>Mission</u> <u>Outreach</u>	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 500.

Form 990-PF, Page 11, Part XV, line 3a

Continued

**Line 3a statement**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox  Amount
<b>a Paid during the year</b>				
<u>First Presbyterian Church</u> <u>540 William Hilton Parkway</u> <u>Hilton Head Island SC 29928</u>		Religious Organizat	Building Fund	Person or Business <input checked="" type="checkbox"/> 8,000.
<u>Focus on the Family</u> <u>NSA</u> <u>Colorado Springs CO 80995</u>		Nonprofit Corp	Religious Activities	Person or Business <input checked="" type="checkbox"/> 250.
<u>Highlands Bolivian Mission</u> <u>171 Hospital Drive</u> <u>Highlands NC 28741</u>		Nonprofit Corp	Mission	Person or Business <input checked="" type="checkbox"/> 2,500.
<u>Highlands Playhouse</u> <u>P O Box 896</u> <u>Highlands NC 28741</u>		Nonprofit Corp	Performing Arts	Person or Business <input checked="" type="checkbox"/> 500.
<u>Hilton Head Dance Theatre</u> <u>4 Stonewall Circle</u> <u>Hilton Head Island SC 29926</u>		Nonprofit Corp	Operating Funds	Person or Business <input checked="" type="checkbox"/> 1,000.
<u>Hope Haven of the Lowcountry</u> <u>P O Box 2502</u> <u>Beaufort SC 29901</u>		Nonprofit Corp	Child Advocacy	Person or Business <input checked="" type="checkbox"/> 250.
<u>Hospice Care of the Low Country</u> <u>P O Box 3827</u> <u>Hilton Head Island SC 29910</u>		Nonprofit Corp	Operating Funds	Person or Business <input checked="" type="checkbox"/> 500.
<u>The Hudson Library Inc</u> <u>P O Box 430</u> <u>Highlands NC 28741</u>		Nonprofit Corp	Building Funds	Person or Business <input checked="" type="checkbox"/> 4,800.
<u>International Friendship Center</u> <u>348 South 5th Street</u> <u>Highlands NC 28741</u>		Nonprofit Corporati	Food for Underprivileged	Person or Business <input checked="" type="checkbox"/> 2,500.
<u>Literacy Council of Highlands</u> <u>348 South 5th Street</u> <u>Highlands NC 28741</u>		Nonprofit Corporati	Operating Budget	Person or Business <input checked="" type="checkbox"/> 3,500.
<u>Literacy Volunteers of the Lowcountry</u> <u>P O Box 3725</u> <u>Bluffton SC 29910</u>		Nonprofit Corp	Adult Literacy Programs	Person or Business <input checked="" type="checkbox"/> 100.
<u>Owens Foundation</u> <u>P O Box 870530</u> <u>Stone Mountain GA 30087</u>		Nonprofit Corp	Medical Outreach	Person or Business <input checked="" type="checkbox"/> 1,000.
<u>Reformed University Ministries Wake Fore</u> <u>1700 North Brown Rd Suite 104</u> <u>Lawrenceville GA 30043</u>		Nonprofit Corporati	Religious Activities	Person or Business <input checked="" type="checkbox"/> 1,000.
<u>Southeastern Council of Foundations</u> <u>50 Hurt Plaza</u> <u>Atlanta GA 30303</u>		Nonprofit Corp	Operating Budget	Person or Business <input checked="" type="checkbox"/> 500.
<u>U of Tenn Macc Excellence Fund</u> <u>466 Haslam Business Building</u> <u>Knoxville TN 37996</u>		Public Charity	Operating Budget	Person or Business <input checked="" type="checkbox"/> 1,000.

Form 990-PF, Page 11, Part XV, line 3a

Continued

**Line 3a statement**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox  Amount
<b>a Paid during the year</b>				
<u>Volunteers In Medicine</u>		<u>Nonprofit</u>	<u>Operating</u>	Person or <input type="checkbox"/>
<u>15 Northridge Drive</u>		<u>Corporati</u>	<u>Funds</u>	Business <input checked="" type="checkbox"/>
<u>Hilton Head Island SC 29926</u>				500.
<u>Wake Forest University</u>		<u>Nonprofit</u>	<u>Education</u>	Person or <input type="checkbox"/>
<u>P O Box 7227</u>		<u>Corp</u>		Business <input checked="" type="checkbox"/>
<u>Winston-Salem NC 27109</u>				1,000.
<u>Zoo Atlanta</u>		<u>Nonprofit</u>	<u>Admissions</u>	Person or <input type="checkbox"/>
<u>800 Cherokee Drive</u>		<u>Corp</u>	<u>Supplements</u>	Business <input checked="" type="checkbox"/>
<u>Atlanta GA 30315</u>				5,000.
<u>Zoo Atlanta</u>		<u>Nonprofit</u>		Person or <input type="checkbox"/>
<u>800 Cherokee Drive</u>		<u>Corp</u>	<u>Operating Funds</u>	Business <input checked="" type="checkbox"/>
<u>Atlanta GA 30315</u>				5,000.

Total

55,900.

Form 990-PF, Page 2, Part II, Line 10b

**L-10b Stmt**

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
<u>Coca Cola Co Common</u>	<u>6,450.</u>	<u>79,608.</u>
<u>Johnson &amp; Johnson Common</u>	<u>19,891.</u>	<u>39,697.</u>
<u>Eli Lilly &amp; Co Common</u>	<u>39,808.</u>	<u>31,653.</u>
<u>Pfizer Common</u>	<u>21,243.</u>	<u>37,777.</u>
<u>Bank of America Corp Common</u>	<u>12,749.</u>	<u>24,261.</u>
<u>Intel Corp Common</u>	<u>6,825.</u>	<u>41,773.</u>
<u>AGL Resources Common</u>	<u>25,095.</u>	<u>54,780.</u>
<u>Duke Energy Common</u>	<u>17,534.</u>	<u>30,855.</u>
<u>Spectra Energy Corp Common</u>	<u>12,640.</u>	<u>23,103.</u>
<u>Gulf Power Co Pfd</u>	<u>47,000.</u>	<u>50,400.</u>
Total	<u>209,235.</u>	<u>413,907.</u>

Form 990-PF, Page 2, Part II, Line 10c

**L-10c Stmt**

<b>Line 10c - Investments - Corporate Bonds:</b>	<b>End of Year</b>	
	<b>Book Value</b>	<b>Fair Market Value</b>
<u>GE Capital Internotes</u>	<u>50,000.</u>	<u>50,154.</u>
<b>Total</b>	<u><u>50,000.</u></u>	<u><u>50,154.</u></u>

Form 990-PF, Page 2, Part II, Line 13

**L-13 Stmt**

<b>Line 13 - Investments - Other:</b>	<b>End of Year</b>	
	<b>Book Value</b>	<b>Fair Market Value</b>
<u>Income Fund of America</u>	<u>341,935.</u>	<u>296,993.</u>
<u>New Perspective Fund Class A</u>	<u>160,209.</u>	<u>146,106.</u>
<u>Washington Mutual Investors</u>	<u>792,285.</u>	<u>883,399.</u>
<b>Total</b>	<u><u>1,294,429.</u></u>	<u><u>1,326,498.</u></u>