10F Pg 2

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

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

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

Name of foundation
10/1 FOUNDATION, INC

Number and street (or P O box number if mail is not delivered to street address)
1440 DUTCH VALLEY PLACE

Room/suite
100

City or town, state, and ZIP code
ATLANTA GA 30324

A Employer identification number
59-3789335

B Telephone number (see page 10 of the instructions)
404-607-1168

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) ▶ $ 5,563,629

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)	6,000			
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	43,376	43,376		
	4	Dividends and interest from securities	92,156	92,156		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 **Stmt 1**	81,204			
	b	Gross sales price for all assets on line 6a 1,478,249				
	7	Capital gain net income (from Part IV, line 2)		2,705		
	8	~~Net short~~-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) **Stmt 2**	7,697			
	12	**Total** Add lines 1 through 11	230,433	138,237	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) **See Stmt 3**	4,450	4,450		
	b	Accounting fees (attach schedule) **Stmt 4**	3,770	3,770		
	c	Other professional fees (attach schedule) **Stmt 5**	31,257	31,257		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) **Stmt 6**	3,621	3,621		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) **Stmt 7**	456	456		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	43,554	43,554	0	0
	25	Contributions, gifts, grants paid	656,505			656,505
	26	**Total expenses and disbursements.** Add lines 24 and 25	700,059	43,554	0	656,505
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-469,626			
	b	**Net investment income** (if negative, enter -0-)		94,683		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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

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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
Assets	1	Cash—non-interest-bearing				
	2	Savings and temporary cash investments		1,898,886	1,474,739	1,474,739
	3	Accounts receivable ▶				
		Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7	Other notes and loans receivable (att schedule) ▶				
		Less allowance for doubtful accounts ▶	0			
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges		8,942	7,241	7,241
	10a	Investments—U S and state government obligations (attach schedule)				
	b	Investments—corporate stock (attach schedule)	See Stmt 8	2,522,429	2,136,163	2,374,160
	c	Investments—corporate bonds (attach schedule)	See Stmt 9	638,653	633,353	669,049
	11	Investments—land, buildings, and equipment basis ▶				
		Less accumulated depreciation (attach sch) ▶				
	12	Investments—mortgage loans				
	13	Investments—other (attach schedule) See Statement 10		539,939	882,308	888,440
	14	Land, buildings, and equipment basis ▶	1,241,899			
		Less accumulated depreciation (attach sch) ▶	Stmt 11	1,236,480	1,241,899	150,000
	15	Other assets (describe ▶)				
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)		6,845,329	6,375,703	5,563,629
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	**Total liabilities** (add lines 17 through 22)		0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.**				
	24	Unrestricted		6,845,329	6,375,703	
	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				
	30	**Total net assets or fund balances** (see page 17 of the instructions)		6,845,329	6,375,703	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)		6,845,329	6,375,703	

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	6,845,329
2	Enter amount from Part I, line 27a	2	-469,626
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	6,375,703
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	6,375,703

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	Capital Gain Distribution			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	2,705			2,705
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				2,705
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } 2 2,705

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	544,586	6,568,609	0.082907
2008	1,482,651	7,823,176	0.189520
2007	1,613,711	9,744,293	0.165606
2006	889,308	7,842,427	0.113397
2005	2,202,200	8,426,886	0.261330

2	Total of line 1, column (d)	2	0.812760
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.162552
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	5,999,392
5	Multiply line 4 by line 3	5	975,213
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	947
7	Add lines 5 and 6	7	976,160
8	Enter qualifying distributions from Part XII, line 4	8	656,505

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	1,894
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	1,894
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	1,894
6	Credits/Payments				
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	6,794		
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	447		
7	Total credits and payments Add lines 6a through 6d			7	7,241
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	5,347
11	Enter the amount of line 10 to be **Credited to 2011 estimated tax** ▶ 5,347 Refunded ▶			11	

Part VII-A Statements Regarding Activities

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

14 The books are in care of ▶ DAVID LEFFARD Telephone no ▶ 404-607-1168

1440 DUTCH VALLEY PLACE

Located at ▶ ATLANTA GA ZIP+4 ▶ 30324

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

				Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.				
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	N/A	1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010?	☐ Yes ☒ No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 22 of the instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2010 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?		4b		X

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)? N/A **5b**

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

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

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

If "Yes" to 6b, file Form 8870

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

b If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

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

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

(a) Name and address		(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
T COLE FORSYTH 1440 DUTCH VALLEY PLACE STE 100	ATLANTA GA 30324	CFO/SEC 5.00	0	0	0
MICHAEL A GRIMSLEY 1440 DUTCH VALLEY PLACE STE 100	ATLANTA GA 30324	CEO 5.00	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 ▶ 0

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

3 Five highest-paid independent contractors for professional services (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 ▶

Part IX-A Summary of Direct Charitable Activities

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

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes				
a	Average monthly fair market value of securities			1a	3,972,765
b	Average of monthly cash balances			1b	1,435,488
c	Fair market value of all other assets (see page 25 of the instructions)			1c	682,500
d	**Total** (add lines 1a, b, and c)			1d	6,090,753
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0		
2	Acquisition indebtedness applicable to line 1 assets			2	0
3	Subtract line 2 from line 1d			3	6,090,753
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)			4	91,361
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	5,999,392
6	**Minimum investment return.** Enter 5% of line 5			6	299,970

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	299,970
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,894		
b	Income tax for 2010 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	1,894
3	Distributable amount before adjustments Subtract line 2c from line 1			3	298,076
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	298,076
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	298,076

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	656,505
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	656,505
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	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	656,505

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					298,076
2	Undistributed income, if any, as of the end of 2010					
a	Enter amount for 2009 only					
b	Total for prior years 20____ , 20____ , 20____					
3	Excess distributions carryover, if any, to 2010					
a	From 2005	1,746,382				
b	From 2006	504,092				
c	From 2007	1,137,866				
d	From 2008	1,093,164				
e	From 2009	218,304				
f	**Total** of lines 3a through e		4,699,808			
4	Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 656,505					
a	Applied to 2009, but not more than line 2a					
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					298,076
e	Remaining amount distributed out of corpus		358,429			
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		5,058,237			
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					0
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)		1,746,382			
9	***Excess distributions carryover to 2011.*** Subtract lines 7 and 8 from line 6a		3,311,855			
10	Analysis of line 9					
a	Excess from 2006	504,092				
b	Excess from 2007	1,137,866				
c	Excess from 2008	1,093,164				
d	Excess from 2009	218,304				
e	Excess from 2010	358,429				

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

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

1 **Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

DAVID LEFFARD
1440 DUTCH VALLEY SUITE 100 ATLANTA GA 30324

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHED SCHEDULE				656,505
Total			▶ 3a	656,505
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					43,376
4 Dividends and interest from securities					92,156
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					81,204
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b MS STRATEGIC ALT. LP, K-1					6,461
c NON-DIVIDEND DISTRIBUTIONS					1,237
d LAZARD LTD K-1					-1
e					
12 Subtotal Add columns (b), (d), and (e)		0		0	224,433

13 **Total.** Add line 12, columns (b), (d), and (e) 13 224,433

(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)
3	THE MONEY CONTRIBUTED TO THE 10/1 FOUNDATION HAS BEEN
4	INVESTED IN INTEREST BEARING ACCOUNTS,OR PUBLICLY TRADED
8	SECURITIES. THE PHILOSOPHY IS THAT ADDITIONAL FUNDS WILL
11b	BE EARNED EITHER THROUGH APPRRECIATION OF STOCK, INTEREST
11c	EARNED OR DIVIDENDS BEING REINVESTED. THIS WILL PROVIDE
11d	ADDITIONAL MONEY FOR THE 10/1 FOUNDATION TO CONTRIBUTE
	TO WORTHY NON PROFIT CAUSES.

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

10/31/2011 Date

▶ PRESIDENT Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
George F. Grimsley	George F. Grimsley CPA	10/24/11	

Firm's name ▶ Grimsley and Company, CPA's, PA — PTIN P00141559

Firm's address ▶ 1708 Metropolitan Boulevard
Tallahassee, FL 32308 — Firm's EIN ▶ 26-1662163

Phone no 850-385-1120

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received					
Whom Sold	Date Acquired	Date Sold	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
SEE ATTACHED SCHEDULE			Purchase					
	Various	Various	$ 1,226,091	$ 1,154,545	$	$	$ 71,546
TORREY INTL OFFSHORE FUND			Purchase					
	Various	Various	242,667	242,500			167
MGD FUT STRAT ALT K-1			Purchase					
			3,583				3,583
MGD FUT STRAT ALT K-1			Purchase					
			3,203				3,203
Total			$ 1,475,544	$ 1,397,045	$ 0	$ 0	$ 78,499

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
MS STRATEGIC ALT. LP, K-1	$ 6,461	$	$
NON-DIVIDEND DISTRIBUTIONS	1,237		
LAZARD LTD K-1	-1		
Total	$ 7,697	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL FEES	$ 4,450	$ 4,450	$	$
Total	$ 4,450	$ 4,450	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	$ 3,770	$ 3,770	$	$
Total	$ 3,770	$ 3,770	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INVESTMENT FEES	$ 31,257	$ 31,257	$	$
Total	$ 31,257	$ 31,257	$ 0	$ 0

Statement 6 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	$ 1,443	$ 1,443	$	$
EXCISE TAX ON NET INVESTMENT INC	2,148	2,148		
LICENSES	30	30		
Total	$ 3,621	$ 3,621	$ 0	$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
MISCELLANEOUS	456	456		
Total	$ 456	$ 456	$ 0	$ 0

Federal Statements

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
MORGAN STANLEY	$ 2,522,429	$ 2,136,163	Cost	$ 2,374,160
Total	$ 2,522,429	$ 2,136,163		$ 2,374,160

Statement 9 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
MORGAN STANLEY	$ 638,653	$ 633,353	Cost	$ 669,049
Total	$ 638,653	$ 633,353		$ 669,049

Statement 10 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
MORGAN STANLEY	$ 539,939	$ 882,308	Cost	$ 888,440
Total	$ 539,939	$ 882,308		$ 888,440

Statement 11 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
JUBILATION LOT 9	$ 1,236,480	$ 1,241,899	$	$ 150,000
Total	$ 1,236,480	$ 1,241,899	$ 0	$ 150,000

10-1 Foundation, Inc.
FEI 59-3789335
Charitable Contributions
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Page 11, Part XV, Attached Schedule

3/16/2010	Ebenzr Brzln Chrch God	3,000.00
3/16/2010	Friendship House Jesus	50,000.00
7/22/2010	Ebenzr Brzln Chrch God	3,000.00
12/8/2010	L2L	50,000.00
3/10/2010	Community Supprt Fndtn	40,399.59
3/10/2010	North Point Ministries	30,302.99
5/19/2010	Ebenzr Brzln Chrch God	65,000.00
5/26/2010	L2L	1,800.00
11/3/2010	Susan G Koman	500.00
		244,002.58

1/5/2010	Campus Crusd for Chrst	500.00
1/5/2010	Joshua's Promise Inc.	500.00
1/5/2010	Next Level	500.00
1/5/2010	Prsbytrn Frntr Fellwsh	5,000.00
1/5/2010	Habitat for Humanity	5,000.00
1/5/2010	The Pregnancy Center	100.00
1/5/2010	Prsbytrn Frntr Fellwsh	5,000.00
1/5/2010	Prsbytrn Frntr Fellwsh	5,000.00
1/5/2010	Prsbytrn Frntr Fellwsh	5,000.00
1/25/2010	Stegal Semnry Schlrshp	10,000.00
2/1/2010	Campus Crusd for Chrst	500.00
2/1/2010	Joshua's Promise Inc.	500.00
2/1/2010	Next Level	500.00
2/1/2010	The Pregnancy Center	100.00
2/2/2010	Prsbytrn Frntr Fellwsh	5,000.00
2/2/2010	Joshua's Promise Inc.	3,000.00
2/16/2010	Community Supprt Fndtn	1,000.00
3/2/2010	Campus Crusd for Chrst	500.00
3/2/2010	Joshua's Promise Inc.	500.00
3/2/2010	Next Level	500.00
3/2/2010	The Pregnancy Center	100.00
3/2/2010	Prsbytrn Frntr Fellwsh	5,000.00
3/3/2010	Cross International	500.00
3/3/2010	Focus on the Family	250.00
3/9/2010	The Vashti Center	100.00
3/10/2010	Community Supprt Fndtn	40,399.60
3/10/2010	North Point Ministries	30,302.99
4/9/2010	Campus Crusd for Chrst	500.00
4/9/2010	Joshua's Promise Inc.	500.00
4/9/2010	Next Level	500.00
4/9/2010	The Pregnancy Center	100.00
4/9/2010	Prsbytrn Frntr Fellwsh	5,000.00

10-1 Foundation, Inc.
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Page 11, Part XV, Attached Schedule

4/14/2010	First Presbytern Chrch	20,000.00
4/21/2010	Fellwshp Chrstn Athlts	2,000.00
5/5/2010	Campus Crusd for Chrst	500.00
5/5/2010	Joshua's Promise Inc.	500.00
5/5/2010	Next Level	500.00
5/5/2010	The Pregnancy Center	100.00
5/5/2010	Prsbytrn Frntr Fellwsh	5,000.00
5/12/2010	Young Life Thomas Cnty	17,000.00
6/3/2010	Joshua's Promise Inc.	500.00
6/3/2010	Next Level	500.00
6/3/2010	The Pregnancy Center	100.00
6/3/2010	Prsbytrn Frntr Fellwsh	5,000.00
6/10/2010	Fellwshp Chrstn Athlts	15,000.00
6/10/2010	Prsbytrn Frntr Fellwsh	15,000.00
6/10/2010	Prsbytrn Frntr Fellwsh	15,000.00
6/10/2010	Young Life Thomas Cnty	2,000.00
6/10/2010	Prsbytrn Frntr Fellwsh	20,000.00
6/10/2010	Prsbytrn Frntr Fellwsh	7,000.00
7/1/2010	Joshua's Promise Inc.	500.00
7/1/2010	Next Level	500 00
7/1/2010	The Pregnancy Center	100.00
7/1/2010	Prsbytrn Frntr Fellwsh	5,146.00
7/1/2010	Global Service Network	100.00
7/1/2010	Plan USA	264.00
7/15/2010	New Covenant Church	940.00
7/15/2010	Young Life	3,500.00
8/4/2010	Global Service Network	100.00
8/4/2010	Joshua's Promise Inc.	500.00
8/4/2010	Next Level	500.00
8/4/2010	The Pregnancy Center	100.00
8/4/2010	Prsbytrn Frntr Fellwsh	5,000.00
8/4/2010	The Community Foundatn	15,000.00
9/1/2010	Global Service Network	100.00
9/1/2010	Joshua's Promise Inc.	500.00
9/1/2010	Next Level	500.00
9/1/2010	The Pregnancy Center	100.00
9/1/2010	Prsbytrn Frntr Fellwsh	5,000.00
9/21/2010	Use Fellwshp Chrst Ath	1,000.00
9/21/2010	The Pregnancy Center	10,000.00
9/29/2010	The Treehouse	1,000.00
10/6/2010	Global Service Network	100.00
10/6/2010	Joshua's Promise Inc.	500.00
10/6/2010	Next Level	500.00
10/6/2010	The Pregnancy Center	100.00
10/6/2010	Prsbytrn Frntr Fellwsh	5,000.00

10-1 Foundation, Inc.
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10/7/2010	Prsbytrn Frntr Fellwsh	8,000.00
10/7/2010	Prsbytrn Frntr Fellwsh	31,400.00
10/13/2010	First Presbytern Chrch	20,000.00
10/13/2010	Mny Blssngs Fndtn, Inc	250.00
10/13/2010	Young Life Thomas Cnty	6,300.00
11/2/2010	Global Service Network	100.00
11/2/2010	Joshua's Promise Inc.	500.00
11/2/2010	Next Level	500.00
11/2/2010	The Pregnancy Center	100.00
11/2/2010	Prsbytrn Frntr Fellwsh	5,000.00
11/9/2010	Susan G Koman	500.00
12/1/2010	Global Service Network	100.00
12/1/2010	Joshua's Promise Inc.	500.00
12/1/2010	Next Level	500.00
12/1/2010	The Pregnancy Center	100.00
12/1/2010	Prsbytrn Frntr Fellwsh	5,000.00
12/1/2010	Lake Rabn Lsr Minstrs,	250.00
12/8/2010	Global Service Network	250.00
12/8/2010	Lawson Nl MdBank, Inc.	100.00
12/14/2010	Prsbytrn Frntr Fellwsh	5,000.00
12/14/2010	Prsbytrn Frntr Fellwsh	5,000.00
12/14/2010	Prsbytrn Frntr Fellwsh	5,000.00
12/15/2010	First Presbytern Chrch	1,500.00
12/15/2010	Fellwshp Chrstn Athlts	1,000.00
12/15/2010	Friendship House Jesus	500.00
12/15/2010	Marion Medical Mission	500.00
11/13/2010	Young Life Thomas Cnty	250.00
		412,502.59
	TOTAL CONTRIBUTIONS	**656,505.17**

MorganStanley
SmithBarney

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Activity

Custom Portfolio Active Assets Account
769-042880-069

10/1 FOUNDATION INC
ATTENTION: MIKE GRIMSLEY

CASH FLOW ACTIVITY BY DATE (CONTINUED)

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Credits/(Debits)
NET CREDITS/(DEBITS)							$108,170.09

Purchase and Sale transactions above may have received an average price execution. Details regarding the actual prices are available upon request.

MONEY MARKET FUND (MMF) AND BANK DEPOSITS ACTIVITY

Date	Activity Type	Description	Credits/(Debits)
12/1	Automatic Investment	BANK DEPOSIT PROGRAM	$1,282.66
12/2	Automatic Investment	BANK DEPOSIT PROGRAM	5,306.92
12/8	Automatic Investment	BANK DEPOSIT PROGRAM	207.09
12/10	Automatic Investment	BANK DEPOSIT PROGRAM	158.08
12/13	Automatic Investment	BANK DEPOSIT PROGRAM	1,143.92
12/14	Automatic Redemption	BANK DEPOSIT PROGRAM	(12,710.54)
12/15	Automatic Investment	BANK DEPOSIT PROGRAM	284.16
12/16	Automatic Investment	BANK DEPOSIT PROGRAM	3,081.82
12/20	Automatic Investment	BANK DEPOSIT PROGRAM	393.76
12/21	Automatic Investment	BANK DEPOSIT PROGRAM	434.73
12/22	Automatic Investment	BANK DEPOSIT PROGRAM	101,165.94
12/23	Automatic Investment	BANK DEPOSIT PROGRAM	138.08
12/28	Automatic Investment	BANK DEPOSIT PROGRAM	9.26
12/30	Automatic Investment	BANK DEPOSIT PROGRAM	1,936.40
12/30	Automatic Investment	BANK DEPOSIT PROGRAM	4.64
12/31	Automatic Investment	BANK DEPOSIT PROGRAM	4,357.81
NET ACTIVITY FOR PERIOD			$107,194.73

REALIZED GAIN/(LOSS) DETAIL

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
3M COMPANY	03/17/09	01/22/10	18.000	$1,474.72	$872.24	$602.48	
	03/17/09	04/08/10	8.000	666.78	387.66	279.12	
	03/17/09	12/16/10	7.000	601.28	339.21	262.07	
ABBOTT LABORATORIES	02/17/05	01/22/10	21.000	1,152.99	976.92	176.07	
	04/01/05	01/22/10	32.000	1,756.94	1,476.48	280.46	
ADOBE SYSTEMS	07/16/08	01/22/10	19.000	656.25	760.59	(104.34)	

CONTINUED

10-1 Foundation, Inc.
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Activity

Custom Portfolio Active Assets Account
769-042880-069

10/1 FOUNDATION INC
ATTENTION: MIKE GRIMSLEY

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
	07/16/08	09/23/10	449.000	11,934.26	17,973.87	(6,039.61)	
	10/17/08	09/23/10	64.000	1,701.10	1,847.68	(146.58)	
	04/08/10	09/23/10	335.000	8,904.18	11,647.92	(2,743.74)	
AIR PROD & CHEM INC	06/24/10	12/16/10	40.000	3,533.14	2,760.76	772.38	
ALCOA INC	01/24/07	04/08/10	138.000	2,035.46	4,388.40	(2,352.94)	
	01/24/07	06/24/10	288.000	3,256.24	9,158.40	(5,902.16)	
	10/17/08	06/24/10	880 000	9,949.64	10,868.00	(918.36)	
	01/22/10	06/24/10	11.000	124.37	147.73	(23.36)	
AMERICA MOVIL SA DE CV ADR L	06/11/08	04/08/10	65.000	3,285.69	3,685.50	(399.81)	
	06/11/08	12/16/10	35.000	1,984.11	1,984.50	(0.39)	
AMERICAN ELECTRIC POWER CO	09/25/09	01/22/10	111.000	3,956.30	3,447.70	508.60	
	09/25/09	12/16/10	46.000	1,647.69	1,428.78	218.91	
APPLE INC	05/29/09	01/22/10	9.000	1,795.65	1,215.59	580.06	
	05/29/09	04/08/10	28.000	6,724.08	3,781 83	2,942.25	
	05/29/09	12/16/10	31.000	9,953.62	4,187.03	5,766.59	
AT&T INC	07/26/07	04/08/10	52.000	1,349.40	2,137.20	(787.80)	
	07/26/07	12/16/10	147.000	4,286.44	6,041.70	(1,755.26)	
BANK OF AMERICA CORP	08/03/09	04/08/10	270.000	5,059.74	4,195.80	863.94	
BANK OF NEW YORK MELLON CORP	09/27/06	04/08/10	59.000	1,872.03	2,227.04	(355.01)	
BAXTER INTL INC	06/01/05	01/22/10	9.000	530.90	334.26	196.64	
BLACKROCK DEBT STRAT FD INC	08/22/07	01/22/10	178.000	655.48	1,145.89	(490 41)	
	08/22/07	04/08/10	3,094.000	13,310.16	19,917.93	(6,607.77)	
BLACKROCK GLBL OPP EQ TR	10/17/08	04/08/10	5,463.000	108,357.86	77,952.04	30,405.82	
CISCO SYS INC	04/01/05	04/08/10	79 000	2,074.03	1,403.83	670.20	
	04/18/05	04/08/10	105.000	2,756.62	1,818.60	938.02	
COCA COLA CO	05/04/07	12/16/10	60.000	3,893.33	3,194.17	699.16	
CONOCOPHILLIPS	04/18/05	01/22/10	37.000	1,886.60	1,871.28	15.32	
	04/18/05	04/08/10	26.000	1,402.41	1,314.95	87.46	
	04/18/05	12/16/10	44.000	2,873.14	2,225 30	647.84	
	06/01/05	12/16/10	11.000	718.29	604.73	113.56	
COVIDIEN PLC NEW	08/19/09	01/22/10	52.000	2,643.12	2,069.60	573.52	
CVS CAREMARK CORP	06/01/05	10/13/10	172.000	5,360.24	4,758.38	601.86	
	07/24/06	10/13/10	315.000	9,816.71	10,281.60	(464.89)	
	01/22/10	10/13/10	43.000	1,340.06	1,435.77	(95.71)	
	04/08/10	10/13/10	421.000	13,120.11	15,349.03	(2,228.92)	
DEVON ENERGY CORP NEW	12/20/07	01/22/10	3.000	209.42	265.04	(55.62)	
	12/20/07	02/10/10	254.000	17,008.74	22,439.63	(5,430.89)	
DOLLAR TREE INC	04/14/09	06/24/10		20.79	0.00	20.79	Cash in Lieu

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10-1 Foundation, Inc.
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Activity

Custom Portfolio Active Assets Account
769-042880-069

10/1 FOUNDATION INC
ATTENTION: MIKE GRIMSLEY

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
	04/14/09	12/16/10	253.000	14,162.70	7,274.57	6,888.13	
DOW CHEMICAL CO	05/14/10	12/16/10	126.000	4,283.92	3,437.91	846.01	
EATON VANCE FLOATING RT INCM	08/20/07	01/22/10	789.000	11,903.01	13,284.65	(1,381.64)	
	08/20/07	04/08/10	262.000	4,104.19	4,411.38	(307.19)	
	08/20/07	12/16/10	102.000	1,640.13	1,717.41	(77.28)	
EXXON MOBIL CORP	02/17/05	04/08/10	19.000	1,292.55	1,110.17	182.38	
	04/01/05	04/08/10	4.000	272.11	242.04	30.07	
	04/01/05	12/16/10	27.000	1,942.61	1,633.77	308.84	
GENERAL ELECTRIC CO	04/18/05	04/08/10	16.000	296.36	578.88	(282.52)	
	06/01/05	04/08/10	135.000	2,500.55	4,990.95	(2,490.40)	
GENL DYNAMICS CORP	06/24/10	12/16/10	6 000	417.29	383.84	33.45	
HEALTH CARE SEL SECT SPDR FD	08/04/08	01/22/10	385.000	12,216.66	12,354.65	(137.99)	
	08/04/08	04/08/10	2,296.000	73,454.68	73,678.64	(223.96)	
	08/04/08	09/08/10	440.000	12,760.66	14,119.60	(1,358.94)	
	08/04/08	12/16/10	82.000	2,586.23	2,631.38	(45.15)	
HONEYWELL INTERNATIONAL INC	09/23/10	12/16/10	100.000	5,153.91	4,341.90	812.01	
ISHARES BARCLAYS TIPS BD FD	09/30/09	01/22/10	8.000	841.50	820.66	20.84	
	09/30/09	04/08/10	343.000	35,576.21	35,186.08	390.13	
	09/30/09	12/16/10	24.000	2,553.07	2,462.00	91.07	
ISHARES COHEN&STEERS RL MJR FD	02/17/05	01/22/10	4.000	200.75	264.74	(63.99)	
	02/17/05	04/08/10	181.000	10,598.82	11,979.49	(1,380.67)	
	04/01/05	04/08/10	194.000	11,360.06	12,112.39	(752.33)	
	06/08/05	04/08/10	406.000	23,774.14	28,878.78	(5,104.64)	
	10/17/08	04/08/10	440.000	25,765.08	23,161.60	2,603.48	
	09/30/09	04/08/10	192.000	11,242.95	9,336.31	1,906.64	
ISHARES IBOXX INVEST GR COR FD	10/17/08	03/04/10	1,630.000	172,276.42	139,802.49	32,473.93	
	01/22/10	03/04/10	45.000	4,756.10	4,757.40	(1.30)	
ISHARES MSCI EAFE FUND	04/01/05	04/08/10	1,394.000	78,498.43	73,547.48	4,950.95	
	04/18/05	04/08/10	320.000	18,019.73	16,593.07	1,426.66	
	04/18/05	12/16/10	143.000	8,233.80	7,415.03	818.77	
ISHARES MSCI GROWTH INDX FD	09/30/09	04/08/10	188.000	10,685.73	10,044.84	640.89	
	09/30/09	12/16/10	134.000	8,054.60	7,159.62	894.98	
ISHARES NASDAQ BIOTECH FUND	08/19/09	01/22/10	3.000	249.92	227.97	21.95	
	08/19/09	09/08/10	29.000	2,386.77	2,203.69	183.08	
	08/19/09	12/16/10	27.000	2,481.25	2,051.71	429.54	
ISHARS TR MORNINGSTAR GRW	01/22/10	04/08/10	108.000	6,588.74	6,148.39	440.35	
	01/22/10	12/16/10	68.000	4,411.76	3,871.21	540.55	
ITT CORP	03/03/08	01/22/10	336.000	16,597.31	18,865.32	(2,268.01)	

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CLIENT STATEMENT | For the Period December 1-31, 2010

MorganStanley
SmithBarney

Activity

Custom Portfolio Active Assets Account
769-042880-069

10/1 FOUNDATION INC
ATTENTION: MIKE GRIMSLEY

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
JOHNSON & JOHNSON	09/16/08	01/22/10	7.000	443.58	491.04	(47.46)	
	09/16/08	08/05/10	280.000	16,729.86	19,641.44	(2,911.58)	
	04/08/10	08/05/10	253.000	15,116.62	16,441.81	(1,325.19)	
JPMORGAN CHASE & CO	02/17/05	04/08/10	111.000	5,085.15	4,118.10	967.05	
	04/01/05	04/08/10	40.000	1,832.49	1,363.20	469.29	
LAZARD CLA A COM STK	09/08/10	12/16/10	127.000	4,944.02	4,149.45	794.57	
	09/08/10	12/17/10	760.000	28,924.96	24,831.33	4,093.63	
LOCKHEED MARTIN CORP	01/29/09	04/08/10	22.000	1,811.88	1,818.08	(6.20)	
	01/29/09	06/24/10	201.000	15,898.54	16,610.64	(712.10)	
	01/22/10	06/24/10	10.000	790.97	758.30	32.67	
LOWES COMPANIES INC	08/08/08	01/22/10	70.000	1,565.18	1,500.79	64.39	
	08/08/08	03/23/10	1,248.000	30,600.57	26,756.87	3,843.70	
	10/17/08	03/23/10	336.000	8,238.61	6,615.84	1,622.77	
METLIFE INCORPORATED	06/08/09	04/08/10	105.000	4,753.42	3,365.07	1,388.35	
	06/08/09	11/16/10	342.000	13,354.22	10,960.52	2,393.70	
	01/22/10	11/16/10	42.000	1,639.99	1,519.56	120.43	
MONSANTO CO/NEW	12/17/08	05/14/10	270.000	14,713.81	20,680.41	(5,966.60)	
	01/22/10	05/14/10	1.000	54.50	78.23	(23.73)	
	04/08/10	05/14/10	30.000	1,634.87	2,070.30	(435.43)	
NORFOLK SOUTHERN CORP	11/12/09	04/08/10	44.000	2,555.47	2,303.24	252.23	
	11/12/09	12/16/10	43.000	2,690.89	2,250.90	439.99	
OCCIDENTAL PETROLEUM CORP DE	02/10/10	04/08/10	19.000	1,641.76	1,483.16	158.60	
	02/10/10	12/16/10	18.000	1,706.37	1,405.10	301.27	
OPPENHEIMER INTL BOND FD CL A	01/22/10	04/08/10	842.118	5,423.24	5,397.98	25.26	
	01/22/10	12/16/10	1,001.005	6,486.51	6,416 44	70.07	
ORACLE CORP	08/08/08	01/22/10	96.000	2,327.01	2,180.16	146.85	
	08/08/08	12/16/10	171.000	5,249.61	3,883.41	1,366.20	
PEPSICO INC NC	02/17/05	01/22/10	9.000	545.84	488.07	57.77	
	02/17/05	04/08/10	49.000	3,232.96	2,657.27	575.69	
PHILIP MORRIS INTL INC	06/01/05	04/08/10	45.000	2,355.71	1,602.72	752.99	
	02/21/07	04/08/10	25.000	1,308.73	1,135.95	172.78	
	03/31/08	04/08/10	6.000	314.09	317 89	(3.80)	
	03/31/08	12/16/10	68.000	4,039.13	3,602.73	436.40	
PNC FINL SVCS GP	12/26/06	01/22/10	28.000	1,499.10	2,081.93	(582.83)	
	12/26/06	04/08/10	62.000	4,001.41	4,609.99	(608.58)	
POWERSHARES QQQ TR	10/16/06	01/22/10	24.000	1,062.70	1,020.48	42.22	
	10/16/06	04/08/10	88.000	4,284.86	3,741.76	543.10	
	10/16/06	12/16/10	73.000	3,957.26	3,103.96	853.30	

CONTINUED

Activity

Custom Portfolio Active Assets Account
769-042880-069

10/1 FOUNDATION INC
ATTENTION: MIKE GRIMSLEY

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
PRUDENTIAL FINANCIAL INC	08/08/08	04/08/10	78.000	4,938.09	5,772.49	(834.40)	
PUTNAM DIVERSIFIED INC TR A	04/08/10	12/16/10	1,655.371	13,242.97	13,242.95	0.02	
QUALCOMM INC	01/22/10	12/16/10	94.000	4,619.08	4,410.27	208.81	
SCHLUMBERGER LTD	09/25/09	01/22/10	18.000	1,177.54	1,067.20	110.34	
	09/25/09	04/08/10	9.000	596.68	533.60	63.08	
	09/25/09	12/16/10	47.000	3,793 77	2,786.57	1,007.20	
SUNCOR ENERGY INC NEW COM	04/18/05	04/08/10	32.000	1,118.38	581.28	537.10	
	04/18/05	12/16/10	24.000	880.06	435.96	444.10	
TAIWAN FUND INC	09/30/09	04/08/10	131.000	1,875.55	1,818.54	57.01	
	09/30/09	12/16/10	516.000	9,360 08	7,163.11	2,196.97	
TEMPLETON GLB INCM FD INC(DEL)	02/17/05	01/22/10	142.000	1,354.94	1,397.58	(42.64)	
	02/17/05	04/08/10	851.000	8,605.59	8,375.62	229.97	
UNITED TECHNOLOGIES CORP	03/27/06	01/22/10	29.000	2,010.25	1,711.29	298.96	
	03/27/06	04/08/10	20.000	1,471.97	1,180.20	291.77	
	03/27/06	12/16/10	16.000	1,261.57	944.16	317.41	
VANGUARD EMRG MKTS ETF	09/30/09	01/22/10	10.000	394.29	383.70	10.59	
	09/30/09	04/08/10	266.000	11,534.62	10,206.34	1,328.28	
	09/30/09	12/16/10	169.000	7,949.62	6,484.48	1,465.14	
WAL MART STORES INC	03/11/08	01/22/10	43.000	2,287.14	2,142.19	144.95	
	03/11/08	04/08/10	40.000	2,213.96	1,992.74	221.22	
	03/11/08	04/15/10	239.000	12,896.57	11,906.60	989.97	
	01/12/09	04/15/10	62.000	3,345.56	3,225.74	119.82	
	01/12/09	12/16/10	6.000	324.59	312.17	12.42	
WALGREEN CO	10/13/10	12/16/10	93.000	3,448.38	3,194.30	254.08	
WALT DISNEY CO HLDG CO	10/02/09	01/22/10	39 000	1,171.93	1,056.90	115.03	
	10/02/09	04/08/10	103.000	3,675.38	2,791.29	884.09	
	10/02/09	12/16/10	18.000	665.26	487.80	177.46	
WEATHERFORD INTERNATIONAL LTD	09/14/07	12/16/10	217.000	4,459.27	7,010.19	(2,550.92)	
WISCONSIN ENERGY CORP	12/11/09	01/22/10	9 000	443.15	430.08	13.07	
	12/11/09	12/16/10	98.000	5,739.76	4,683.15	1,056.61	
YUM BRANDS INC	08/05/10	12/16/10	94.000	4,637.88	3,959.84	678.04	

Activity

Custom Portfolio Active Assets Account
769-042880-069

10/1 FOUNDATION INC
ATTENTION: MIKE GRIMSLEY

	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)
Net Realized Gain/(Loss) This Period	$203,793.35	$171,904.80	$31,888.55
Net Realized Gain/(Loss) Year to Date	$1,226,090.58	$1,154,545.02	$71,545.56

Gain/loss information is provided for informational purposes only and should not be used for tax preparation. Please refer to the gain/loss section of the disclosures for important information about gain/loss reporting.

From January through September, realized gain/loss information will be shown only for trades settling in the current month, and/or certain adjustments (to previously closed lots) made in the current month. From October through December, in order to provide information for year-end investment planning, complete year to date realized gain/loss detail will be displayed for trades settling through the last business day of the year.