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

**2010**

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 05/01, 2010, and ending 04/30, 2011

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

Name of foundation: LEE ARTHUR C/T A Employer identification number: 63-6110715

Number and street (or P O box number if mail is not delivered to street address): 1525 W W.T. HARRIS BLVD. D1114-044 Room/suite: \_\_\_\_\_ B Telephone number (see page 10 of the instructions): (336) 747-8182

City or town, state, and ZIP code: CHARLOTTE, NC 28288

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) ▶ \$ 1,227,460. J Accounting method:  Cash  Accrual  Other (specify) \_\_\_\_\_ (Part I, column (d) must be on cash basis.)

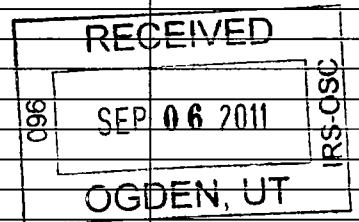
C If exemption application is pending, check here

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

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)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	19.	19.		STMT 1
4	Dividends and interest from securities	40,426.	40,426.		STMT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	16,108.			
b	Gross sales price for all assets on line 6a	79,652.			
7	Capital gain net income (from Part IV, line 2)		16,108.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)				
12	<b>Total. Add lines 1 through 11</b>	56,553.	56,553.		
13	Compensation of officers, directors, trustees, etc.	16,046.	12,035.		4,012.
14	Other employee salaries and wages		NONE	NONE	
15	Pension plans, employee benefits		NONE	NONE	
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)				
c	Other professional fees (attach schedule)	892.	892.		
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions)	1,818.	288.		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings		NONE	NONE	
22	Printing and publications		NONE	NONE	
23	Other expenses (attach schedule)				
24	<b>Total operating and administrative expenses. Add lines 13 through 23</b>	18,756.	13,215.	NONE	4,012.
25	Contributions, gifts, grants paid	45,002.			45,002.
26	<b>Total expenses and disbursements. Add lines 24 and 25</b>	63,758.	13,215.	NONE	49,014.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-7,205.			
b	Net investment income (if negative, enter -0-)		43,338.		
c	Adjusted net income (if negative, enter -0-)				



SCANNED SEP 07 2011  
Operating and Administrative Expenses



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 . . . . .	NONE		
	2	Savings and temporary cash investments . . . . .		22,432.	22,432.
	3	Accounts receivable ▶ . . . . .			
		Less: allowance for doubtful accounts ▶ . . . . .			
	4	Pledges receivable ▶ . . . . .			
		Less: allowance for doubtful accounts ▶ . . . . .			
	5	Grants receivable . . . . .			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ . . . . .			
		Less: allowance for doubtful accounts ▶ . . . . .	NONE	NONE	
	8	Inventories for sale or use . . . . .			
	9	Prepaid expenses and deferred charges . . . . .			
	10 a	Investments - U S and state government obligations (attach schedule) . . . . .	NONE		
	b	Investments - corporate stock (attach schedule) . STMT 7 . . . . .	NONE	125,116.	159,445.
	c	Investments - corporate bonds (attach schedule) . STMT 9 . . . . .	NONE	262,380.	276,597.
	11	Investments - land, buildings, and equipment basis ▶ . . . . .			
	Less: accumulated depreciation (attach schedule) ▶ . . . . .	NONE			
12	Investments - mortgage loans . . . . .	NONE			
13	Investments - other (attach schedule) . . . . . STMT 10.		733,013.	768,986.	
14	Land, buildings, and equipment basis ▶ . . . . .				
	Less: accumulated depreciation (attach schedule) ▶ . . . . .				
15	Other assets (describe ▶ . . . . .)	1,151,110.			
16	<b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item I) . . . . .	1,151,110.	1,142,941.	1,227,460.	
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	<b>Total liabilities</b> (add lines 17 through 22) . . . . .			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted . . . . .			
	25	Temporarily restricted . . . . .			
	26	Permanently restricted . . . . .			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds . . . . .	1,151,110.	1,142,941.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .			
	29	Retained earnings, accumulated income, endowment, or other funds . . . . .	NONE		
30	<b>Total net assets or fund balances</b> (see page 17 of the instructions) . . . . .	1,151,110.	1,142,941.		
31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) . . . . .	1,151,110.	1,142,941.		

**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	1,151,110.
2	Enter amount from Part I, line 27a . . . . .	2	-7,205.
3	Other increases not included in line 2 (itemize) ▶ . . . . .	3	
4	Add lines 1, 2, and 3 . . . . .	4	1,143,905.
5	Decreases not included in line 2 (itemize) ▶ . . . . . SEE STATEMENT 11	5	964.
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30 . . . . .	6	1,142,941.

**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.)
<b>1a SEE PART IV DETAIL</b>						
<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>						
<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				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any				
<b>a</b>						
<b>b</b>						
<b>c</b>						
<b>d</b>						
<b>e</b>						
<b>2 Capital gain net income or (net capital loss)</b>				2	16,108.	
{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }						
<b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):</b>				3		
{ 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. }						

**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	47,013.	1,034,112.	0.04546219365
2008	46,578.	1,014,481.	0.04591313194
2007			
2006			
2005			

<b>2 Total of line 1, column (d)</b>	2	0.09137532559
<b>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</b>	3	0.04568766280
<b>4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5</b>	4	1,231,789.
<b>5 Multiply line 4 by line 3</b>	5	56,278.
<b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>	6	433.
<b>7 Add lines 5 and 6</b>	7	56,711.
<b>8 Enter qualifying distributions from Part XII, line 4</b>	8	49,014.

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 <input type="checkbox"/> and enter "N/A" on line 1. . . . .			
Date of ruling or determination letter: _____ (attach copy of ruling letter if necessary - see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b . . . . .		1	867.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . . . .		2	
3 Add lines 1 and 2 . . . . .		3	867.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) . . . . .		4	NONE
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0- . . . . .		5	867.
<b>6 Credits/Payments:</b>			
a 2010 estimated tax payments and 2009 overpayment credited to 2010 . . . . .	6a	1,144.	
b Exempt foreign organizations-tax withheld at source . . . . .	6b	NONE	
c Tax paid with application for extension of time to file (Form 8868) . . . . .	6c	NONE	
d Backup withholding erroneously withheld . . . . .	6d		
7 Total credits and payments. Add lines 6a through 6d . . . . .		7	1,144.
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached . . . . .		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed . . . . .		9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . . . .		10	277.
11 Enter the amount of line 10 to be Credited to 2011 estimated tax <input type="checkbox"/> 277. Refunded <input type="checkbox"/>		11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? . . . . .		X
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)? . . . . .		X
<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>		
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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . .		X
<i>If "Yes," attach a detailed description of the activities</i>		
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
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . . . .		X
b If "Yes," has it filed a tax return on Form 990-T for this year? . . . . .		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . .		X
<i>If "Yes," attach the statement required by General Instruction T</i>		
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, col (c), and Part XV</i> . . . . .	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> _____ STMT 12		
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 on page 27)? <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 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 <input type="checkbox"/> N/A				
14	The books are in care of <input type="checkbox"/> WELLS FARGO NA Telephone no. <input type="checkbox"/> (336) 747-8182			
Located at <input type="checkbox"/> 1 WEST 4TH ST, 4TH FLOOR, WINSTON SALEM, NC ZIP + 4 <input type="checkbox"/> 27101-3818				
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 . . . . . <input type="checkbox"/> 15				
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
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 <input type="checkbox"/>				

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? . . . . .	1b	X
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 <input type="checkbox"/>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions) . . . . .	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <input type="checkbox"/>		
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 propaganda, or otherwise attempt to influence legislation (section 4945(e))?. . . . .  Yes  No

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

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

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

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

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

Organizations relying on a current notice regarding disaster assistance check here . . . . .

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

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

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . . **6b**  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? . . . . . **7b**  Yes  No

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

**1 List all officers, directors, trustees, foundation managers and their compensation (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
SEE STATEMENT 13		16,046.	-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		NONE	NONE	NONE

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

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

<b>3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."</b>		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		NONE
<b>Total number of others receiving over \$50,000 for professional services</b>		NONE

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

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

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

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

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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>	1,220,418.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	30,129.
<b>c</b>	Fair market value of all other assets (see page 25 of the instructions)	<b>1c</b>	NONE
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	1,250,547.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	NONE
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	1,250,547.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	18,758.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,231,789.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	61,589.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	61,589.
<b>2a</b>	Tax on investment income for 2010 from Part VI, line 5	<b>2a</b>	867.
<b>b</b>	Income tax for 2010. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	867.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	60,722.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	NONE
<b>5</b>	Add lines 3 and 4	<b>5</b>	60,722.
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	NONE
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	60,722.

**Part XII Qualifying Distributions** (see page 25 of the 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>	49,014.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	NONE
<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>	NONE
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	NONE
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	49,014.
<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 page 26 of the instructions)	<b>5</b>	N/A
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	49,014.

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 . . . . .				60,722.
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only . . . . .			7,530.	
b Total for prior years: 20 08, 20 20 . . . . .		NONE		
3 Excess distributions carryover, if any, to 2010:				
a From 2005 . . . . .	NONE			
b From 2006 . . . . .	NONE			
c From 2007 . . . . .	NONE			
d From 2008 . . . . .	NONE			
e From 2009 . . . . .	NONE			
f Total of lines 3a through e . . . . .	NONE			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 49,014 . . . . .				
a Applied to 2009, but not more than line 2a . . . . .			7,530.	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions) . . . . .		NONE		
c Treated as distributions out of corpus (Election required - see page 26 of the instructions) . . . . .	NONE			
d Applied to 2010 distributable amount . . . . .				41,484.
e Remaining amount distributed out of corpus . . . . .	NONE			
5 Excess distributions carryover applied to 2010 . . . . . (If an amount appears in column (d), the same amount must be shown in column (a) )	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5 . . . . .	NONE			
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		NONE		
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 . . . . .		NONE		
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions . . . . .		NONE		
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 . . . . .				19,238.
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) . . . . .	NONE			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . .	NONE			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a . . . . .	NONE			
10 Analysis of line 9.				
a Excess from 2006 . . . . .	NONE			
b Excess from 2007 . . . . .	NONE			
c Excess from 2008 . . . . .	NONE			
d Excess from 2009 . . . . .	NONE			
e Excess from 2010 . . . . .	NONE			

**Part XIV Private Operating Foundations** (see page 27 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

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

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

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

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

1 Information Regarding Foundation Managers:

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

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:

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**

<b>Recipient</b> 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 <i>Paid during the year</i>  SEE STATEMENT 16				
<b>Total</b> ..... ▶ <b>3a</b>				45,002.
b <i>Approved for future payment</i>				
<b>Total</b> ..... ▶ <b>3b</b>				



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

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
(2) Other assets
b Other transactions
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements

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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship

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 WELLS FARGO BANK, N.A. Date 08/16/2011 Title Trustee

Paid Preparer Use Only Print/Type preparer's name, Preparer's signature, Date, Check if self-employed, PTIN, Firm's name, Firm's address, Firm's EIN, Phone no

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS					5,130.	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					2,838.	
413.00		5. PRAXAIR INC COM PROPERTY TYPE: SECURITIES 362.00					06/29/2009 51.00	05/04/2010
2,645.00		32. PRAXAIR INC COM PROPERTY TYPE: SECURITIES 1,804.00					04/28/2009 841.00	05/04/2010
303.00		7. STATE STR CORP COM PROPERTY TYPE: SECURITIES 336.00					06/29/2009 -33.00	05/04/2010
2,207.00		51. STATE STR CORP COM PROPERTY TYPE: SECURITIES 1,785.00					04/28/2009 422.00	05/04/2010
2,265.00		49. BUCYRUS INTL INC NEW PROPERTY TYPE: SECURITIES 2,580.00					12/03/2009 -315.00	05/25/2010
425.00		8. KELLOGG CO COM PROPERTY TYPE: SECURITIES 373.00					06/29/2009 52.00	06/23/2010
2,550.00		48. KELLOGG CO COM PROPERTY TYPE: SECURITIES 2,092.00					04/28/2009 458.00	06/23/2010
796.00		64. AVX CORP NEW COM PROPERTY TYPE: SECURITIES 901.00					03/18/2010 -105.00	07/12/2010
2,479.00		88. AGILENT TECHNOLOGIES INC COM PROPERTY TYPE: SECURITIES 2,411.00					06/29/2009 68.00	07/12/2010
1,833.00		42. BAXTER INTL INC COM W/RIGHTS ATTACHE PROPERTY TYPE: SECURITIES 2,112.00					06/29/2009 -279.00	07/12/2010

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
2,265.00		121. CA INC PROPERTY TYPE: SECURITIES 2,095.00					06/29/2009	07/12/2010 170.00
2,459.00		85. KRAFT FOODS INC-A COM PROPERTY TYPE: SECURITIES 2,384.00					07/27/2009	07/12/2010 75.00
2,697.00		39. MCDONALDS CORP COM PROPERTY TYPE: SECURITIES 1,875.00					06/29/2009	07/12/2010 822.00
2,908.00		87. VIACOM INC NEW PROPERTY TYPE: SECURITIES 2,579.00					12/03/2009	07/12/2010 329.00
1,581.00		125. AVX CORP NEW COM PROPERTY TYPE: SECURITIES 1,759.00					03/19/2010	07/13/2010 -178.00
2,585.00		70. BMC SOFTWARE INC COM RTS EXP 05/12/2 PROPERTY TYPE: SECURITIES 2,210.00					06/29/2009	08/26/2010 375.00
2,805.00		80. GENERAL MILLS INC COM W/RTS EXP 02/0 PROPERTY TYPE: SECURITIES 2,378.00					06/29/2009	08/26/2010 427.00
3,334.00		78. CENTURYTEL INC COM PROPERTY TYPE: SECURITIES 2,057.00					06/29/2009	11/04/2010 1,277.00
2,642.00		27. FLOWSERVE CORP COM PROPERTY TYPE: SECURITIES 2,358.00					08/10/2009	11/04/2010 284.00
827.00		53. FORD MTR CO DEL COM PROPERTY TYPE: SECURITIES 584.00					07/12/2010	11/04/2010 243.00
2,046.00		51. COVIDIEN PLC PROPERTY TYPE: SECURITIES 2,506.00					06/29/2009	11/04/2010 -460.00

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj. basis		Gain or (loss)	
1,714.00		48. NOBLE CORPORATION PROPERTY TYPE: SECURITIES 2,610.00				06/29/2009	11/04/2010	-896.00
2,502.00		15. GOLDMAN SACHS GRP INC COM PROPERTY TYPE: SECURITIES 2,500.00				12/03/2009	11/10/2010	2.00
2,920.00		109. SEALED AIR CORP NEW COM PROPERTY TYPE: SECURITIES 2,209.00				06/29/2009	01/18/2011	711.00
3,009.00		623. CITIGROUP INC COM PROPERTY TYPE: SECURITIES 2,712.00				05/04/2010	02/11/2011	297.00
2,394.00		76. CONSTELLATION ENERGY GRP INC COM PROPERTY TYPE: SECURITIES 2,735.00				05/04/2010	02/11/2011	-341.00
4,234.00		49. NIKE INC CL B COM PROPERTY TYPE: SECURITIES 2,662.00				06/29/2009	02/11/2011	1,572.00
2,771.00		44. PNC FINL SVCS GROUP INC COM W/RIGHTS PROPERTY TYPE: SECURITIES 2,754.00				04/16/2010	03/08/2011	17.00
3,562.00		98. TYCO ELECTRONICS LTD F PROPERTY TYPE: SECURITIES 2,451.00				02/09/2010	03/08/2011	1,111.00
3,452.00		55. INTL FLAVORS & FRAGRANCES INC COM PROPERTY TYPE: SECURITIES 2,791.00				04/16/2010	04/20/2011	661.00
3,061.00		48. PROCTER & GAMBLE CO COM PROPERTY TYPE: SECURITIES 2,579.00				06/29/2009	04/20/2011	482.00

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
TOTAL GAIN (LOSS) .....							----- 16,108. =====	

LEE ARTHUR C/T

63-6110715

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS  
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
WACHOVIA PT M/M DEPOSIT ACCT	2.	2.
WACHOVIA PT MONEY MARKET	2.	2.
WELLS FARGO - SECURED MARKET DEPOSIT ACC	15.	15.
TOTAL	19.	19.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES  
 =====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
AVX CORP NEW COM	9.	9.
AMERIPRISE FINANCIAL INC	47.	47.
BAXTER INTL INC COM W/RIGHTS ATTACHED EX	12.	12.
BOTTLING GROUP LLC 4.625% 11/15/12	2,081.	2,081.
BRISTOL-MYERS SQUIBB CO COM	124.	124.
BUCYRUS INTL INC NEW	1.	1.
CVS CORP COM	18.	18.
CA INC	5.	5.
CARDINAL HLTH INC COM	59.	59.
CENTURYTEL INC COM	113.	113.
CHEVRONTEXACO CORP COM	104.	104.
CIMAREX ENERGY CO	8.	8.
CISCO SYS INC COM W/RIGHTS ATTACHED EXP I	7.	7.
COMCAST CORP NEW CL A	14.	14.
CONOCOPHILLIPS COM	92.	92.
CONSTELLATION ENERGY GRP INC COM	55.	55.
CORNING INC COM W/RTS EXP 07/15/2006	21.	21.
CREDIT SUISSE FB USA 5.125% 1/15/14	2,563.	2,563.
DANAHER CORP COM	2.	2.
DREYFUS/THE BOSTON CA S/C - I #6944	50.	50.
EII INTERNATIONAL PROPERTY-I #30	606.	606.
EVERGREEN INTL BOND FUND CL I (FD #460)	564.	564.
EXXON MOBIL CORP COM	49.	49.
FLOWSERVE CORP COM	16.	16.
GAP INC COM	47.	47.
GENERAL ELEC CO COM	81.	81.
GENERAL ELECTRIC COM 5.000% 2/01/13	3,750.	3,750.
GENERAL MILLS INC COM W/RTS EXP 02/01/20	42.	42.
GOLDMAN SACHS GRP INC COM	11.	11.
HALLIBURTON CO COM W/RIGHTS EXP 12/15/20	15.	15.
HARBOR FD INTL FD	1,195.	1,195.
HEWLETT-PACKARD CO COM	17.	17.

## FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
HOME DEPOT INC COM	82.	82.
ING REAL ESTATE FUND CL-I #2190	1,566.	1,566.
INTEL CORP COM	81.	81.
INTL BUSINESS MACHINES CORP COM	52.	52.
INTL FLAVORS & FRAGRANCES INC COM	58.	58.
JP MORGAN CHASE & CO COM	10.	10.
JPMORGAN CHASE & CO 4.500% 1/15/12	2,250.	2,250.
JOHNSON & JOHNSON COM	80.	80.
KELLOGG CO COM	21.	21.
KRAFT FOODS INC-A COM	25.	25.
LAZARD EMERGING MKTS PTFL #638	779.	779.
MCDONALDS CORP COM	21.	21.
MCKESSON HBC INC COM	30.	30.
MICROSOFT CORP COM	57.	57.
MUNDER MIDCAP CORE GROWTH FD-Y #32	17.	17.
NATIONAL OILWELL INC COM	4.	4.
NIKE INC CL B COM	42.	42.
OCCIDENTAL PETE CORP COM	58.	58.
ORACLE CORP COM	11.	11.
PIMCO FDS PAC INVT MGMT SER TOTAL RETURN	3,032.	3,032.
PIMCO EMERG MKTS BD-INST #137	3,855.	3,855.
PNC FINL SVCS GROUP INC COM W/RIGHTS ATT	13.	13.
PIMCO COMMODITY REAL RET STRAT-I#45	5,472.	5,472.
PIONEER HIGH YIELD FD-Y	6,171.	6,171.
T ROWE PRICE GRP INC COM	14.	14.
PROCTER & GAMBLE CO COM	93.	93.
RAYMOND JAMES FINL INC COM	10.	10.
ROSS STORES INC COM	39.	39.
SEALED AIR CORP NEW COM	41.	41.
TEXAS INSTRS INC COM	51.	51.
3M CO COM	70.	70.
TYSON FOODS INC COM CL A	17.	17.
UNION PAC CORP COM	23.	23.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
UNITED TECHNOLOGIES CORP COM	73.	73.
UNUMPROVIDENT CORP COM	43.	43.
VERIZON COMMUNICATIONS COM	39.	39.
VIACOM INC NEW	13.	13.
WAL MART STORES INC COM	49.	49.
WAL-MART STORES 4.550% 5/01/13	1,820.	1,820.
WELLS FARGO ADV INTL BOND-IS #4705	2,120.	2,120.
COVIDIEN PLC	29.	29.
PARTNERRE LTD COM	76.	76.
ACE LIMITED	75.	75.
NOBLE CORPORATION	40.	40.
TYCO INTERNATIONAL LTD NEW	63.	63.
TYCO ELECTRONICS LTD F	63.	63.
TOTAL	40,426.	40,426.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES  
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
INVESTMENT MGMT FEES-SUBJECT T	892.	892.
TOTALS	892.	892.

LEE ARTHUR C/T

63-6110715

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES	4.	
FEDERAL TAX PAYMENT - PRIOR YE	386.	
FEDERAL ESTIMATES - PRINCIPAL	1,144.	
FOREIGN TAXES ON QUALIFIED FOR	268.	268.
FOREIGN TAXES ON NONQUALIFIED	16.	16.
TOTALS	1,818.	288.

LEE ARTHUR C/T

63-6110715

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
124857202 CBS CORP NEW	3,130.	3,203.
20030N101 COMCAST CORP CL A	3,043.	3,329.
345370860 FORD MOTOR CO	1,962.	2,754.
364760108 GAP INC	2,058.	2,649.
437076102 HOME DEPOT INC	2,037.	3,195.
778296103 ROSS STORES INC	1,988.	4,127.
92927K102 WABCO HOLDINGS INC	2,949.	3,545.
126650100 CVS CAREMARK CORP	2,386.	3,079.
902494103 TYSON FOODS INC	2,516.	2,846.
931142103 WALMART STORES INC	2,596.	2,804.
166764100 CHEVRON CORP	2,930.	3,940.
171798101 CIMAREX ENERGY CO	2,454.	3,649.
20825C104 CONOCOPHILLIPS	2,212.	3,156.
30231G102 EXXON MOBIL CORP	1,731.	2,463.
406216101 HALLIBURTON CO	2,791.	4,291.
637071101 NATIONAL OILWELL VAR	3,020.	2,914.
674599105 OCCIDENTAL PETE CORP	2,148.	4,114.
03076C106 AMERIPRISE FINL INC	2,461.	4,034.
46625H100 JPMORGAN CHASE & CO	2,897.	3,148.
754730109 RAYMOND JAMES FINL	3,107.	3,000.
74144T108 T ROWE PRICE GROUP	3,102.	2,891.
91529Y106 UNUM GROUP	2,507.	3,125.
031162100 AMGEN INC	2,071.	2,103.
110122108 BRISTOL MYERS SQUIBB	2,121.	2,698.
14149Y108 CARDINAL HEALTH INC	2,668.	3,277.
345838106 FOREST LABS INC	2,709.	2,653.
478160104 JOHNSON & JOHNSON	1,906.	2,432.
58155Q103 MCKESSON CORP	2,575.	3,486.
58405U102 MEDCO HEALTH SOLUTNS	2,507.	2,611.

LEE ARTHUR C/T

63-6110715

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
235851102 DANAHER CORP	2,774.	3,425.
369604103 GENERAL ELECTRIC CO	2,510.	3,313.
907818108 UNION PACIFIC CORP	2,717.	3,104.
913017109 UNITED TECHNOLOGIES	2,351.	3,852.
88579Y101 3M CO	2,530.	3,208.
037833100 APPLE INC	2,608.	3,501.
17275R102 CISCO SYSTEMS INC	2,264.	2,067.
219350105 CORNING INC	2,467.	2,953.
428236103 HEWLETT PACKARD CO	870.	2,140.
44919P508 IAC INTERACTIVE CORP	2,399.	3,503.
458140100 INTEL CORP	2,914.	2,871.
459200101 IBM CORP	1,597.	3,412.
594918104 MICROSOFT CORP	2,843.	2,566.
68389X105 ORACLE CORP	2,497.	3,848.
882508104 TEXAS INSTRUMENTS	2,216.	3,624.
774415103 ROCKWOOD HOLDGS INC	3,129.	3,631.
92343V104 VERIZON COMMUNICATNS	2,704.	3,060.
682680103 ONEOK INC	3,073.	3,567.
H0023R105 ACE LIMITED	2,959.	3,833.
G6852T105 PARTNERRE LTD	2,643.	2,893.
H89128104 TYCO INTERNATIONAL	2,469.	3,558.
TOTALS	125,116.	159,445.

LEE ARTHUR C/T

63-6110715

FORM 990PF, PART II - CORPORATE BONDS  
=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
10138MAB1 BOTTLING GROUP 4.625	45,568.	47,656.
22541LAM5 CREDIT SUISSE 5.125	50,853.	54,526.
369604AY9 GENERAL ELECTRIC 5.0	76,302.	80,069.
46625HCA6 JPMORGAN CHASE 4.500	49,746.	51,399.
931142BT9 WALMART STORES 4.550	39,911.	42,947.
TOTALS	262,380.	276,597.

LEE ARTHUR C/T

63-6110715

FORM 990PF, PART II - OTHER INVESTMENTS

COST/  
FMV

DESCRIPTION	C OR F	ENDING BOOK VALUE	ENDING FMV
693390551 PIMCO TOT RTN FD II	C	125,000.	124,881.
72369B406 PIONEER HI YLD #724	C	121,000.	120,848.
94985D582 WELLS FARGO FD #4705	C	54,481.	62,531.
693391559 PIMCO EMERG MKT #137	C	70,000.	76,277.
26203E836 DREYFUS BOSTON #6941	C	12,000.	12,436.
26203E851 DREYFUS BOSTON #6944	C	11,145.	12,122.
626124242 MUNDER MIDCAP #32	C	44,000.	60,594.
411511306 HARBOR INTL FD #2011	C	69,834.	80,243.
52106N889 LAZARD EMERGING #638	C	45,000.	46,317.
26852M105 EII INTERNATL FD #30	C	40,000.	30,572.
44981V706 ING RE FD #2190	C	75,553.	79,427.
722005667 PIMCO COMMOD FD #45	C	65,000.	62,738.
TOTALS		733,013.	768,986.

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
ADJUST FOR CHANGE OF RECORD KEEPING FROM BOOK/COST VAL	964.
TOTAL	----- 964. =====

-----  
STATE(S) WHERE THE FOUNDATION IS REGISTERED  
=====

AL

LEE ARTHUR C/T

63-6110715

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

OFFICER NAME:

WELLS FARGO NA

ADDRESS:

1525 W WT HARRIS BLVD D1114-044

CHARLOTTE, NC 28288-1114

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION ..... 16,046.

TOTAL COMPENSATION: 16,046.

=====

RECIPIENT NAME:  
PEOPLE TO PEOPLE HEALTH FD INC  
ADDRESS:  
ATTENTION: BARBARA KABAKOFF  
MILLWOOD, VA 22646  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 1,613.

RECIPIENT NAME:  
SALVATION ARMY  
ADDRESS:  
ATTENTION: MAJ. DARYL KINGSBURY  
ANNISTON, AL 36202  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 1,612.

RECIPIENT NAME:  
GIRL SCOUTS OF N. CENTRAL AL  
ADDRESS:  
ATTN:SHELIA SMITH, VP OF FIN  
BIRMINGHAM, AL 35242  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 1,613.

RECIPIENT NAME:  
SALVATION ARMY  
ADDRESS:  
P O BOX 218  
ANNISTON, AL 36202  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 638.

RECIPIENT NAME:  
GREATER ALA COUNCIL NO.1, INC.  
BOY SCOUTS OF AMERICA  
ADDRESS:  
PO BOX 43307  
BIRMINGHAM, AL 35243  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 2,250.

RECIPIENT NAME:  
FIRST UNITED METHODIST CHURCH  
ADDRESS:  
ATTENTION: HEATHER ANGEL  
ANNISTON, AL 36202  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 31,500.

=====

RECIPIENT NAME:  
THE BOYS AND GIRLS CLUB  
ADDRESS:  
ATTENTION: JOHNNY BYRD  
ANNISTON, AL 36202  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 638.

RECIPIENT NAME:  
YMCA OF CALHOUN COUNTY  
ADDRESS:  
ATTN KEN HOFFMAN  
ANNISTON, AL 36202  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
CONTRIBUTION  
FOUNDATION STATUS OF RECIPIENT:  
PUBLIC CHARITY  
AMOUNT OF GRANT PAID ..... 5,138.

TOTAL GRANTS PAID: ..... 45,002.  
=====

**SCHEDULE D  
(Form 1041)**

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

**2010**

Name of estate or trust

LEE ARTHUR C/T

Employer identification number

63-6110715

Note: Form 5227 filers need to complete only Parts I and II.

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>1a</b> SHORT-TERM CAPITAL GAIN DIVIDENDS		STMT 1			5,130.

<b>b</b> Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .	<b>1b</b>	94.
<b>2</b> Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .	<b>2</b>	
<b>3</b> Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>3</b>	
<b>4</b> Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet . . . . .	<b>4</b>	( )
<b>5</b> <b>Net short-term gain or (loss).</b> Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back . . . . . ▶	<b>5</b>	5,224.

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>6a</b> LONG-TERM CAPITAL GAIN DIVIDENDS		STMT 1			2,838.

<b>b</b> Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .	<b>6b</b>	8,046.
<b>7</b> Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .	<b>7</b>	
<b>8</b> Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>8</b>	
<b>9</b> Capital gain distributions . . . . .	<b>9</b>	
<b>10</b> Gain from Form 4797, Part I . . . . .	<b>10</b>	
<b>11</b> Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet . . . . .	<b>11</b>	( )
<b>12</b> <b>Net long-term gain or (loss).</b> Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back . . . . . ▶	<b>12</b>	10,884.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2010

<b>Part III Summary of Parts I and II</b>		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
<b>Caution: Read the instructions before completing this part.</b>				
<b>13</b>	Net short-term gain or (loss)	<b>13</b>		5,224.
<b>14</b>	Net long-term gain or (loss):			
a	Total for year	<b>14a</b>		10,884.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.)	<b>14b</b>		
c	28% rate gain	<b>14c</b>		
<b>15</b>	Total net gain or (loss). Combine lines 13 and 14a	<b>15</b>		16,108.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

**Part IV Capital Loss Limitation**

<b>16</b>	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: a The loss on line 15, column (3) or b \$3,000	<b>16</b>	( )
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Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet on page 7 of the instructions to figure your capital loss carryover

**Part V Tax Computation Using Maximum Capital Gains Rates**

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

<b>17</b>	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	<b>17</b>	
<b>18</b>	Enter the smaller of line 14a or 15 in column (2) but not less than zero	<b>18</b>	
<b>19</b>	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	<b>19</b>	
<b>20</b>	Add lines 18 and 19	<b>20</b>	
<b>21</b>	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-	<b>21</b>	
<b>22</b>	Subtract line 21 from line 20. If zero or less, enter -0-	<b>22</b>	
<b>23</b>	Subtract line 22 from line 17. If zero or less, enter -0-	<b>23</b>	
<b>24</b>	Enter the smaller of the amount on line 17 or \$2,300	<b>24</b>	
<b>25</b>	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23	<b>25</b>	
<b>26</b>	Subtract line 25 from line 24	<b>26</b>	
<b>27</b>	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	<b>27</b>	
<b>28</b>	Enter the amount from line 26 (If line 26 is blank, enter -0-)	<b>28</b>	
<b>29</b>	Subtract line 28 from line 27	<b>29</b>	
<b>30</b>	Multiply line 29 by 15% (.15)	<b>30</b>	
<b>31</b>	Figure the tax on the amount on line 23. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	<b>31</b>	
<b>32</b>	Add lines 30 and 31	<b>32</b>	
<b>33</b>	Figure the tax on the amount on line 17. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	<b>33</b>	
<b>34</b>	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	<b>34</b>	





FEDERAL CAPITAL GAIN DIVIDENDS  
=====

SHORT-TERM CAPITAL GAIN DIVIDENDS  
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PIMCO FDS PAC INVT MGMT SER TOTAL RETURN FD I 4,794.00  
WELLS FARGO ADV INTL BOND-IS #4705 336.00

TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS 5,130.00  
=====

LONG-TERM CAPITAL GAIN DIVIDENDS  
-----

15% RATE CAPITAL GAIN DIVIDENDS

PIMCO FDS PAC INVT MGMT SER TOTAL RETURN FD I 77.00  
WELLS FARGO ADV INTL BOND-IS #4705 2,699.00  
62.00

TOTAL 15% RATE CAPITAL GAIN DIVIDENDS 2,838.00  
-----

TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS 2,838.00  
=====