943000

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 7/01 **, 2010, and ending** 6/30 , 2011

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

THE MARY NORRIS PREYER FUND
C/O PIEDMONT FINANCIAL TRUST COMPANY
P O BOX 20124
GREENSBORO, NC 27420

A Employer identification number: 56-6068167

B Telephone number (see the instructions): 336-274-5471

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. [X] 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, column (c), line 16)* ► $ 4,667,034.

J Accounting method: [X] 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 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 (att sch)				
	2 Ck ► [X] if the foundn is **not** req to att Sch B				
	3 Interest on savings and temporary cash investments		9,331.		
	4 Dividends and interest from securities	10,239.	94,134.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	649,942.			
	b Gross sales price for all assets on line 6a 674,578.				
	7 Capital gain net income (from Part IV, line 2)		724,294.		
	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/(loss) (att sch)				
	11 Other income (attach schedule) See Statement 1	133,196.	676.		
	12 **Total.** Add lines 1 through 11	793,377.	828,435.		
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)				
	b Accounting fees (attach sch)				
	c Other prof fees (attach sch)				
	17 Interest		6,069.		
	18 Taxes (attach schedule)(see instr) See Stm 2	500.	2,271.		
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Statement 3	25,328.	49,957.		7,300.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	25,828.	58,297.		7,300.
	25 Contributions, gifts, grants paid Part XV	168,000.			168,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	193,828.	58,297.	0.	175,300.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	599,549.			
	b **Net investment income** (if negative, enter -0-)		770,138.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
ASSETS	1 Cash — non-interest-bearing			
	2 Savings and temporary cash investments	130,184.	165,009.	165,009.
	3 Accounts receivable ►			
	Less allowance for doubtful accounts ►			
	4 Pledges receivable ►			
	Less. allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments — U S and state government obligations (attach schedule)			
	b Investments — corporate stock (attach schedule)	36,874.	12,238.	118,855.
	c Investments — corporate bonds (attach schedule)			
	11 Investments — land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►			
	12 Investments — mortgage loans			
	13 Investments — other (attach schedule)			
	14 Land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►			
	15 Other assets (describe ► See Statement 4)	3,006,129.	3,591,085.	4,383,170.
	16 Total assets (to be completed by all filers — see instructions Also, see page 1, item I)	3,173,187.	3,768,332.	4,667,034.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ►)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here ► ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	3,173,187.	3,768,332.	
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see the instructions)	3,173,187.	3,768,332.	
	31 Total liabilities and net assets/fund balances (see the instructions)	3,173,187.	3,768,332.	

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	3,173,187.
2	Enter amount from Part I, line 27a	2	599,549.
3	Other increases not included in line 2 (itemize) ► See Statement 5	3	128,792.
4	Add lines 1, 2, and 3	4	3,901,528.
5	Decreases not included in line 2 (itemize) ► See Statement 6	5	133,196.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	3,768,332.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month day, year)	(d) Date sold (month, day, year)
1 a				
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				
b				
c				
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				
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	724,294.
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 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 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 (column (b) divided by column (c))
2009	219,222.	4,179,306.	0.052454
2008	8,145.	4,119,778.	0.001977
2007	223,526.	5,217,554.	0.042841
2006	8,475.	4,876,695.	0.001738
2005	244,849.	4,441,864.	0.055123

2	**Total** of line 1, column (d)	2	0.154133
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	0.030827
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	4,361,814.
5	Multiply line 4 by line 3	5	134,462.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	7,701.
7	Add lines 5 and 6	7	142,163.
8	Enter qualifying distributions from Part XII, line 4	8	175,300.

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

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

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 instr.)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► [X] and enter 1% of Part I, line 27b		1	7,701.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3	Add lines 1 and 2		3	7,701.
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	7,701.
6	Credits/Payments			
a	2010 estimated tax pmts and 2009 overpayment credited to 2010	6a 267.		
b	Exempt foreign organizations – tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c 11,200.		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments Add lines 6a through 6d		7	11,467.
8	Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached		8	9.
9	**Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►		9	0.
10	**Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►		10	3,757.
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ► 3,757. **Refunded** ►		11	0.

Part VII-A Statements Regarding Activities

		Line	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 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 ► $ 0. (2) On foundation managers ► $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If 'Yes,' attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b	X	
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, column (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ► NC			
b	If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If 'No,' attach explanation*	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)? *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 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 ► PIEDMONT FINANCIAL TRUST CO Telephone no ► 336-274-5471

Located at ► 701 GREEN VALLEY RD GREENSBORO NC ZIP + 4 ► 27408

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

			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 the instructions for exceptions and filing requirements for Form TD F 90-22 1 If 'Yes,' enter the name of the foreign country ►			

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

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

				Yes	No
1 a	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 the instructions)?		1 b	N/A	
	Organizations relying on a current notice regarding disaster assistance check here	► ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?		1 c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__	☐ Yes ☒ No			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see the instructions)		2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If 'Yes,' did it have excess business holdings in 2010 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)*		3b	N/A	
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)*

			Yes	No
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 instructions)	☐ Yes ☒ No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?		**5b**	N/A	
Organizations relying on a current notice regarding disaster assistance check here ► ☐				
c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? *If 'Yes,' attach the statement required by Regulations section 53 4945-5(d)*	N/A ☐ Yes ☐ No			
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? *If 'Yes' to 6b, file Form 8870*		**6b**		X
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 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 7		0.	0.	0.

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

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

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 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 ►		0

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

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

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ►	0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes			
a Average monthly fair market value of securities		1a	4,324,201.
b Average of monthly cash balances		1b	104,037.
c Fair market value of all other assets (see instructions)		1c	
d **Total** (add lines 1a, b, and c)		1d	4,428,238.
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	4,428,238.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	66,424.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	4,361,814.
6 **Minimum investment return.** Enter 5% of line 5		6	218,091.

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

1 Minimum investment return from Part X, line 6		1	218,091.
2a Tax on investment income for 2010 from Part VI, line 5	2a 7,701.		
b Income tax for 2010 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	7,701.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	210,390.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	210,390.
6 Deduction from distributable amount (see instructions)		6	
7 **Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	210,390.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes		
a Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1a	175,300.
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	175,300.
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 instructions)	5	7,701.
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	167,599.

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

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

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				210,390.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			27,078.	
b Total for prior years 20____, 20____, 20____		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► $ 175,300.				
a Applied to 2009, but not more than line 2a			27,078.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2010 distributable amount				148,222.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				62,168.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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

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

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

	Tax year	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 organization had $5,000 or more in assets at any time during the year — see instructions.)

1 Information Regarding Foundation Managers:

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

None

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

None

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

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

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

See Statement 8

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

See Statement for Line 2a

c Any submission deadlines

See Statement for Line 2a

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

See Statement for Line 2a

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 Statement 9				
Total			► 3a	168,000.
b *Approved for future payment*				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (see the instructions)
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	10,239.	
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	532000	8,997.	14	124,199.	
8 Gain or (loss) from sales of assets other than inventory			18	649,942.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		8,997.		784,380.	

13 **Total.** Add line 12, columns (b), (d), and (e) 13 793,377.

(See worksheet in line 13 instructions 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 the instructions.)
N/A	

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

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

Frederick L. Preyer — 1/7/2011 — Trustee

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if ☐ if self-employed	PTIN
Laura Bennett	Laura Bennett L Bennett	12/28/11		N/A

Firm's name ▶ PIEDMONT FINANCIAL TRUST CO. Firm's EIN ▶ N/A

Firm's address ▶ PO BOX 20124
GREENSBORO, NC 27420-0124 Phone no (336) 574-8684

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income	$ 133,196.	$ 676.	
Total	$ 133,196.	$ 676.	$ 0.

Statement 2
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Taxes	$ 500.			
FOREIGN TAXES PAID-PAIF		$ 2,271.		
Total	$ 500.	$ 2,271.	$ 0.	$ 0.

Statement 3
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
ACCTG, CHARITABLE & GRANTS ADMIN	$ 23,372.	$ 17,528.		$ 5,844.
BANK FEES	500.	500.		
FAMILY MEETING/TRAVEL EXPENSES	1,456.			1,456.
INVESTMENT & ADVISOR FEES-PAIF K-1		29,472.		
INVESTMENT & ADVISOR FEES-PSIF K-1		2,457.		
Total	$ 25,328.	$ 49,957.	$ 0.	$ 7,300.

Statement 4
Form 990-PF, Part II, Line 15
Other Assets

	Book Value	Fair Market Value
PIEDMONT ASSOCIATES INVESTMENT FUND LLC	$ 2,585,535.	$ 3,239,369.
PIEDMONT SOUTHEASTERN INVESTMENT FUND LL	1,005,550.	1,143,801.
Total	$ 3,591,085.	$ 4,383,170.

Statement 5
Form 990-PF, Part III, Line 3
Other Increases

PIEDMONT ASSOCIATES INVESTMENT FUND K-1 ADJUSTMENTS	$ 89,556.
PIEDMONT SOUTHEASTERN INVESTMENT FUND K-1 ADJUSTMENTS	39,236.
Total	$ 128,792.

Statement 6
Form 990-PF, Part III, Line 5
Other Decreases

DISTRIBUTIONS-PIEDMONT ASSOCIATES INVESTMENT FUND	$ 87,231.
DISTRIBUTIONS-PIEDMONT SOUTHEASTERN INVESTMENT FUND	45,965.
Total	$ 133,196.

Statement 7
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen-sation	Contri-bution to EBP & DC	Expense Account/ Other
ROBERT O PREYER P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	$ 0.	$ 0.	$ 0.
NORRIS W PREYER SR P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.
FRED L PREYER SR P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.
ELLEN P DAVIS P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.
MARY NORRIS PREYER OGLESBY P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.
AMY JANZEN P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.
EMILY FOUNTAIN P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.

Statement 7 (continued)
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
ELIZABETH ADAMSON P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	$ 0.	$ 0.	$ 0.
JANET NELSON P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.
FRED L PREYER JR P O BOX 20124 GREENSBORO, NC 27420	Trustee 0	0.	0.	0.
	Total	$ 0.	$ 0.	$ 0.

Statement 8
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:
Name: JANE PREYER, GRANT MANAGER
Care Of: PIEDMONT FINANCIAL TRUST COMPANY
Street Address: PO BOX 20124
City, State, Zip Code: GREENSBORO, NC 27420
Telephone: 336-274-5471
Form and Content: WRITTEN PROPOSAL WITH INTERNAL REVENUE SERVICE TAX EXEMPT STATUS LETTER
Submission Deadlines: APRIL 1ST
Restrictions on Awards: NONE

Statement 9
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
ONE SCHOOL AT A TIME P.O. BOX 342 ELDORADO SPRINGS, CO 80025	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	$ 5,000.

Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
BLUE WATER FOUNDATION 155 MONTGOMERY STREET, FLOOR 12 SAN FRANCISCO, CA 94104	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	$ 5,000.
ORANGE COUNTY PARTNERSHIP FOR CHILDREN 1829 EAST FRANKLIN ST, STE 1200-B CHAPEL HILL, NC 27514	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
PLANNED PARENTHOOD HEALTH SYSTEMS INC. 100 SOUTH BOYLAN AVENUE RALEIGH, NC 27603	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
PRESBYTERIAN COUNSELING CTR FOR GRSBO 3713 RICHFIELD ROAD GREENSBORO, NC 27410	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
TIME AND SPACE LIMITED THEATRE CO INC P.O. BOX 343 HUDSON, NY 12534	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
AIDS LEGAL REFERRAL PANEL OF THE SFBA 965 MISSION STREET, STE. 630 SAN FRANCISCO, CA 94103	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
CHARLOTTE MAXWELL COMLEMENTARY CLINIC 610 16TH STREET OAKLAND, CA 94612	NONE	509(a)(2)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
CONSERVATION TRUST FOR NC 887 WASHINGTON STREET RALEIGH, NC 27605	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
COURT WATCH OF NORTH CAROLINA, INC. P.O. BOX 10971 GREENSBORO, NC 27404	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
DUKE UNIVERSITY P.O. BOX 104132 DURHAM, NC 27708	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.

Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
COMMUNITY FOOD SHARE INC. 6363 HORIZON LANE LONGMONT , CO 80503	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	$ 5,000.
SOUTHERN ALLIANCE FOR CLEAN ENERGY 117 SOUTH GAY STREET KNOXVILLE , TN 37902	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
ENVIRONMENT NC RESEARCH AND POLICY CTR 112 SOUTH BLOUNT STREET RALEIGH, NC 27601	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
GLOBAL EDUCATION FUND 1105 SPRUCE STREET BOULDER, CO 80302	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
FINCA INTERNATIONAL INC 1101 14TH STREET NW, 11TH FLOOR WASHINGTON, DC 20005	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
GRANDVIEW ASSISTANCE PROGRAM 1121 MAIN STREET GRANDVIEW, MO 64030	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
HARVARD SCHOOL OF PUBLIC HEALTH 401 PARK DR, EAST ATRIUM 3RD FLOOR BOSTON, MA 02215	NONE	509(a)(2)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
HOUSE OF HOPE OF NORTH CAROLINA, INC. 408 COVERED BRIDGE ROAD CLAYTON, NC 27520	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
HUGH CHATHAM MEMORIAL HOSPITAL 180 PARKWOOD DRIVE ELKIN, NC 28621	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
HOPE HAVEN INC. 3815 NORTH TRYON STREET CHARLOTTE, NC 28206	NONE	509(a)(2)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.

Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
NC INSTITUTE OF POLITICAL LEADERSHIP INC 530 CAUSEWAY DRIVE, SUITE A WRIGHTSVILLE BEACH, NC 28480	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	$ 5,000.
INTERACTIVE RESOURCE CENTER INC. 3015 EAST BESSEMER AVENUE GREENSBORO, NC 27405	NONE	509(a)(2)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
INTER-FAITH COUNIL FOR SOCIAL SERVICES 110 WEST MAIN STREET CARRBORO, NC 27510	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
ST. PETERS HOMES INC. 2120 NORTH DAVIDSON STREET CHARLOTTE, NC 28205	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
MUDDY SNEAKERS, INC. P.O. BOX 8471 ASHEVILLE, NC 28804	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
UNIVERSITY OF NC AT CHAPEL HILL P.O. BOX 309 CHAPEL HILL, NC 27514	NONE	509(a)(2)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
NORTH CAROLINA CONSERVATION NETWORK 112 S. BLOUNT STREET RALEIGH, NC 27601	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
NORTH CAROLINA OUTWARD BOUND SCHOOL 2582 RICEVILLE ROAD ASHEVILLE, NC 28805	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.
NORTH CAROLINA ZOOLOGICAL SOCIETY 4403 ZOO PARKWAY ASHEBORO, NC 27205	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	3,000.
NEIGHBORS IN MINISTRY P.O. BOX 1036 BREVARD, NC 28712	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	5,000.

Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
RHINEBECK PERFORMING ARTS, INC. 661 ROUTE 308 RHINEBECK, NY 12572	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	$ 5,000.
YOUNG LIFE 420 N. CASCADE AVENUE COLORADO SPRINGS, CO 80903	NONE	509(a)(1)	TO ASSIST ORGANIZATION IN CARRYING OUT ITS EXEMPT PURPOSE.	10,000.
			Total	$ 168,000.