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

**2010**

Department of the Treasury  
Internal Revenue Service

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

**For calendar year 2010, or tax year beginning** 10/01, **2010, and ending** 9/30, **2011**

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

**WALTER PAYNE FOUNDATION**  
11405 HARCOURT TERRACE  
RICHMOND, VA 23233

**A** Employer identification number  
01-0626611

**B** Telephone number (see the instructions)  
804-780-2038

**C** If exemption application is pending, check here

**D 1** Foreign organizations, check here

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

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

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

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

**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)  
\$ 2,409,352.

**J** Accounting method  Cash  Accrual  
 Other (specify) \_\_\_\_\_  
*(Part I, column (d) must be on cash basis)*

<b>Part I Analysis of Revenue and Expenses</b> <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>REVENUE</b>	<b>1</b> Contributions, gifts, grants, etc., received (att sch)				
	<b>2</b> Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	<b>3</b> Interest on savings and temporary cash investments	81.	81.	81.	
	<b>4</b> Dividends and interest from securities	53,975.	53,975.	53,975.	
	<b>5a</b> Gross rents				
	<b>b</b> Net rental income or (loss)				
	<b>6a</b> Net gain/(loss) from sale of assets not on line 10	84,821.			
	<b>b</b> Gross sales price for all assets on line 6a	940,733.			
	<b>7</b> Capital gain net income (from Part IV, line 2)		84,821.		
	<b>8</b> Net short-term capital gain			9,241.	
	<b>9</b> Income modifications				
	<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less Cost of goods sold					
<b>c</b> Gross profit/(loss) (att sch)					
<b>11</b> Other income (attach schedule)					
<b>12 Total.</b> Add lines 1 through 11	138,877.	138,877.	63,297.		
<b>ADMINISTRATIVE AND OPERATING EXPENSES</b>	<b>13</b> Compensation of officers, directors, trustees, etc	31,969.	15,985.		15,984.
	<b>14</b> Other employee salaries and wages				
	<b>15</b> Pension plans, employee benefits				
	<b>16a</b> Legal fees (attach schedule) See St 1	272.		272.	
	<b>b</b> Accounting fees (attach sch) See St 2	3,090.		3,090.	
	<b>c</b> Other prof fees (attach sch) See St 3	27,688.	27,688.		
	<b>17</b> Interest				
	<b>18</b> Taxes (attach schedule)(see instr) See Stm 4	2,904.	1,588.		1,316.
	<b>19</b> Depreciation (attach sch) and depletion				
	<b>20</b> Occupancy				
	<b>21</b> Travel, conferences, and meetings				
	<b>22</b> Printing and publications				
<b>23</b> Other expenses (attach schedule) See Statement 5	25.		25.		
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	65,948.	45,261.	3,387.	17,300.	
<b>25</b> Contributions, gifts, grants paid Part XV	107,000.			107,000.	
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	172,948.	45,261.	3,387.	124,300.	
<b>27 Subtract line 26 from line 12:</b>					
<b>a Excess of revenue over expenses and disbursements</b>	-34,071.				
<b>b Net investment income</b> (if negative, enter -0-)		93,616.			
<b>c Adjusted net income</b> (if negative, enter -0-)			59,910.		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
ASSETS	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments		81,102.	76,799.	76,799.
	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) Statement 6		2,276,890.	2,240,967.	2,332,553.
	c	Investments – corporate bonds (attach schedule)				
	11	Investments – land, buildings, and equipment basis				
	Less: accumulated depreciation (attach schedule)					
12	Investments – mortgage loans					
13	Investments – other (attach schedule)					
14	Land, buildings, and equipment basis					
	Less: accumulated depreciation (attach schedule)					
15	Other assets (describe )					
16	<b>Total assets</b> (to be completed by all filers – see instructions Also, see page 1, item I)		2,357,992.	2,317,766.	2,409,352.	
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe )				
	23	<b>Total liabilities</b> (add lines 17 through 22)		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. <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds		2,357,992.	2,317,766.	
30	<b>Total net assets or fund balances</b> (see the instructions)		2,357,992.	2,317,766.		
31	<b>Total liabilities and net assets/fund balances</b> (see the instructions)		2,357,992.	2,317,766.		

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	2,357,992.
2	Enter amount from Part I, line 27a	2	-34,071.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	2,323,921.
5	Decreases not included in line 2 (itemize) <u>See Statement 7</u>	5	6,155.
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	2,317,766.

**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)
1a See Statement 8			
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			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) <span style="float: right;">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>	2	84,821.
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 <span style="float: right;">[ ]</span>	3	9,241.

**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	129,216.	2,513,000.	0.051419
2008	154,485.	2,610,244.	0.059184
2007	159,588.	3,141,625.	0.050798
2006	158,630.	3,364,094.	0.047154
2005	156,131.	3,175,057.	0.049174

2 Total of line 1, column (d)	2	0.257729
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	0.051546
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	2,462,848.
5 Multiply line 4 by line 3	5	126,950.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	936.
7 Add lines 5 and 6	7	127,886.
8 Enter qualifying distributions from Part XII, line 4	8	124,300.

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)**

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary – see instr.)		1	1,872.
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			
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	1,872.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-		5	1,872.
6 Credits/Payments:			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a	185.	
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	185.	
8 Enter any <b>penalty</b> for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	31.	
9 <b>Tax due</b> If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,718.	
10 <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be. <b>Credited to 2011 estimated tax</b>	11		

**Part VII A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file <b>Form 1120-POL</b> 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"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XIV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) <input type="checkbox"/> _____ VA		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

**Part VIIA** Statements Regarding Activities (Continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <span style="float:right">▶ N/A</span>	13	X	
14	The books are in care of ▶ <u>JAMES E. CRAWLEY</u> Telephone no ▶ <u>804-780-2038</u> Located at ▶ <u>11405 HARCOURT TERRACE RICHMOND VA</u> ZIP + 4 ▶ <u>23233</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	N/A	▶	<input type="checkbox"/>
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country ▶	16	Yes	No
				X

**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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	N/A
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years ▶ 20__ , 20__ , 20__ , 20__		
b	Are there any years listed in 2a for which the foundation is <b>not</b> 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 )	2 b	N/A
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here ▶ 20__ , 20__ , 20__ , 20__		
3 a	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 )	3 b	N/A
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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?	4 b	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 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)?  Yes  No

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) N/A

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

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

If 'Yes' to 6b, file Form 8870.

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

**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

5b	N/A	
6b		X
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
JAMES E. CRAWLEY 11405 HARCOURT TERRACE RICHMOND, VA 23233	President 5	31,969.	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	
3 All other program-related investments. See instructions	
Total. Add lines 1 through 3	0.

BAA

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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	2,421,402.
<b>b</b> Average of monthly cash balances	<b>1b</b>	78,951.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1c</b>	
<b>d</b> Total (add lines 1a, b, and c)	<b>1d</b>	2,500,353.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	2,500,353.
<b>4</b> Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	37,505.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	2,462,848.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	123,142.

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

<b>1</b> Minimum investment return from Part X, line 6		<b>1</b>	123,142.
<b>2a</b> Tax on investment income for 2010 from Part VI, line 5	<b>2a</b>	1,872.	
<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>	1,872.	
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	121,270.	
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>		
<b>5</b> Add lines 3 and 4	<b>5</b>	121,270.	
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>		
<b>7</b> Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	121,270.	

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

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b> Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	<b>1a</b>	124,300.
<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>	
<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>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b> Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	124,300.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	<b>5</b>	
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	124,300.

**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				121,270.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			106,858.	
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. ▶ \$ 124,300.				
a Applied to 2009, but not more than line 2a			106,858.	
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				17,442.
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				103,828.
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				(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 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 9

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 10				
<b>Total</b>			▶ <b>3a</b>	<b>107,000.</b>
b Approved for future payment				
<b>Total</b>			▶ <b>3b</b>	





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**Statement 1**  
**Form 990-PF, Part I, Line 16a**  
**Legal Fees**

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL FEES	\$ 272.		\$ 272.	
Total	<u>\$ 272.</u>	<u>\$ 0.</u>	<u>\$ 272.</u>	<u>\$ 0.</u>

**Statement 2**  
**Form 990-PF, Part I, Line 16b**  
**Accounting Fees**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
ACCOUNTING FEES	\$ 3,090.		\$ 3,090.	
Total	<u>\$ 3,090.</u>	<u>\$ 0.</u>	<u>\$ 3,090.</u>	<u>\$ 0.</u>

**Statement 3**  
**Form 990-PF, Part I, Line 16c**  
**Other Professional Fees**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INVESTMENT ADVISORY FEES	\$ 27,688.	\$ 27,688.		
Total	<u>\$ 27,688.</u>	<u>\$ 27,688.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 4**  
**Form 990-PF, Part I, Line 18**  
**Taxes**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FOREIGN TAX WITHHELD	\$ 273.	\$ 273.		
PAYROLL TAXES	2,631.	1,315.		\$ 1,316.
Total	<u>\$ 2,904.</u>	<u>\$ 1,588.</u>	<u>\$ 0.</u>	<u>\$ 1,316.</u>

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Statement 5  
Form 990-PF, Part I, Line 23  
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
SCC REGISTRATION FEE	\$ 25.		\$ 25.	
Total	\$ 25.	\$ 0.	\$ 25.	\$ 0.

Statement 6  
Form 990-PF, Part II, Line 10b  
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
447 SHRS BERKSHIRE HATHAWAY	Cost	\$ 20,873.	\$ 31,755.
320 SHRS CHEVRON	Cost	18,305.	29,629.
630 SHRS DANAHER CORP	Cost	16,324.	26,422.
224 SHRS EOG RESOURCES	Cost	9,127.	15,906.
400 SHRS EXXON MOBILE	Cost	7,371.	29,052.
1155 SHRS LOWES	Cost	29,833.	22,338.
65 SHRS MARKEL CORP	Cost	17,555.	23,213.
435 SHRS PEPSICO	Cost	24,702.	26,926.
230 SHRS PRAXAIR INC	Cost	6,870.	21,500.
405 SHRS SCHLUMBERGER	Cost	10,762.	24,191.
375 SHRS UNITED TECHNOLOGIES	Cost	16,525.	26,385.
1592.529 SHRS KEELEY SMALL CAP VALUE	Cost	28,793.	32,312.
360 SHRS PROCTOR & GAMBLE	Cost	21,762.	22,745.
1080 BROOKFIELD ASSET MANAGEMENT	Cost	27,649.	29,754.
405 SHRS T.ROWE PRICE	Cost	15,831.	19,347.
415 SHRS JOHNSON & JOHNSON	Cost	16,142.	26,431.
93 SHRS APPLE COMPUTERS	Cost	6,919.	35,463.
38 SHRS GOOGLE	Cost	13,578.	19,572.
975 SHRS MICROSOFT	Cost	32,950.	24,268.
263 SHRS MILLICOM INTERNATIONAL CELLULAR	Cost	21,101.	26,063.
550 SHRS JP MORGAN CHASE & CO	Cost	25,191.	16,566.
1035 SHRS INTEL	Cost	22,854.	22,082.
190 SHRS IBM	Cost	22,153.	33,225.
645 SHRS WALT DISNEY COMPANY	Cost	21,851.	19,453.
495 SHRS WAL-MART	Cost	28,100.	25,691.
286 SHRS TRANSOCEAN LIMITED	Cost	24,740.	13,654.
280 SHRS LABORATORY CORP	Cost	20,069.	22,134.
490 SHRS ACCENTURE LTD	Cost	18,886.	25,813.
440 SHRS AUTOMATIC DATA PROCESSING	Cost	20,046.	20,746.
400 SHRS ALBEMARLE	Cost	12,958.	16,160.
265 SHRS MCDONALDS	Cost	16,101.	23,272.
265 SHRS OCCIDENTAL PETROLEUM	Cost	14,518.	18,947.
248 SHRS CATERPILLAR	Cost	12,170.	18,312.
499 SHRS FISERV	Cost	21,954.	25,334.
685 SHRS QUALCOMM	Cost	29,133.	33,312.
595 SHRS AMERICAN TOWER	Cost	20,200.	32,011.
1030 SHRS CARMAX INC	Cost	23,461.	24,566.
225 SHRS VISA INC	Cost	17,146.	19,287.
330 SHRS ANHEUSER BUSCH INBEV	Cost	18,365.	17,483.
930 SHRS WELLS FARGO	Cost	23,857.	22,432.
540 SHRS MERCK & COMPANY	Cost	18,809.	17,658.
173 SHRS NOVO NORDISK	Cost	11,278.	17,217.

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**Statement 6 (continued)**  
**Form 990-PF, Part II, Line 10b**  
**Investments - Corporate Stocks**

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
415 SHRS ILLINOIS TOOL WORKS	Cost	\$ 18,307.	\$ 17,264.
495 SHRS CHECK POINT SOFTWARE	Cost	17,673.	26,116.
385 SHRS INTL FLAVOR & FRAGRANCES	Cost	19,422.	21,645.
15976.103 SHRS DELAWARE POOLED TR DIV	Cost	149,629.	148,258.
2451.543 SHRS EAGLE SER MID CAP STOCK FD	Cost	58,868.	55,527.
11550.209 SHRS PIMCO FDS TOTAL RETURN	Cost	125,530.	124,627.
7331.331 SHRS PIONEER SER TR III	Cost	124,574.	115,762.
1228.998 SHRS T ROWE PRICE INT'L FDS	Cost	36,664.	33,466.
4207.374 SHRS THORNBURG INVT TR	Cost	107,624.	99,504.
13486.329 SHRS VANGUARD SHORT TERM FD	Cost	143,225.	143,764.
7759.773 SHRS AMCAP FUND	Cost	151,989.	133,003.
1481.542 SHRS DODGE & COX INTNL STOCK FD	Cost	54,921.	42,654.
9294.286 SHRS FMI FDS INC LARGE CAP	Cost	151,032.	133,001.
4992.798 SHRS ROYCE FUND VALUE FUND	Cost	68,651.	52,624.
610 SHRS DISCOVERY COMMUNICATIONS	Cost	21,280.	21,441.
250 SHRS DOLLOR TREE	Cost	14,240.	18,785.
28 SHRS NVR INC	Cost	18,998.	16,911.
455 SHRS STARWOOD HOTELS	Cost	19,425.	17,663.
375 SHRS NESTLE S A SPNSD ADR	Cost	20,959.	20,663.
1285 SHRS BANK OF AMERICA	Cost	17,020.	7,864.
640 SHRS CAPITAL ONE	Cost	29,172.	25,363.
355 SHRS WELLPOINT	Cost	20,707.	23,174.
300 SHRS BOEING	Cost	21,062.	18,153.
340 SHRS STANLEY BLACK & DECKER	Cost	23,183.	16,694.
<b>Total</b>		<b>\$ 2,240,967.</b>	<b>\$ 2,332,553.</b>

**Statement 7**  
**Form 990-PF, Part III, Line 5**  
**Other Decreases**

DIFFERENCE IN BASIS OF ASSETS

Total \$ 6,155.  
\$ 6,155.

**Statement 8**  
**Form 990-PF, Part IV, Line 1**  
**Capital Gains and Losses for Tax on Investment Income**

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	SEE ATTACHED	Purchased	Various	Various
2	SEE ATTACHED	Purchased	Various	Various
3	SEE ATTACHED	Purchased	Various	Various
4	SEE ATTACHED	Purchased	Various	Various
5	litigation proceeds	Purchased	Various	Various
6	Capital Gain Dividends			

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**STATEMENT 8 (CONTINUED)  
FORM 990-PF, PART IV, LINE 1  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	101,277.		93,075.	8,202.				\$ 8,202.
2	233,750.		225,340.	8,410.				8,410.
3	52,177.		51,138.	1,039.				1,039.
4	548,752.		486,359.	62,393.				62,393.
5	120.		0.	120.				120.
6								4,657.
							TOTAL	\$ 84,821.

**STATEMENT 9  
FORM 990-PF, PART XV, LINE 2A-D  
APPLICATION SUBMISSION INFORMATION**

NAME OF GRANT PROGRAM: WALTER PAYNE FOUNDATION  
 NAME: JAMES E. CRAWLEY DAVENPORT & COMPANY  
 CARE OF: P.O. BOX 85678  
 STREET ADDRESS: RICHMOND, VA 23285-5678  
 CITY, STATE, ZIP CODE: 804-780-2038  
 TELEPHONE: APPLICATIONS SHOULD INCLUDE A DETAILED DESCRIPTION OF THE PROJECT, THE GEOGRAPHIC LOCATION AND GENERAL DESCRIPTION OF INTENDED BENEFICIARIES OF THE PROJECT, AND THE FINANCIAL NEEDS OF APPLICANT FOR THE PROJECT.  
 FORM AND CONTENT: REQUESTS SHOULD BE SUBMITTED ANNUALLY BY JULY 1.  
 SUBMISSION DEADLINES: CONTRIBUTIONS WILL ONLY BE CONSIDERED FOR CHARITABLE ORGANIZATIONS LOCATED IN THE VIRGINIA COUNTIES OF APPOMATTOX AND PRINCE EDWARD, OR TO CHARITABLE ORGANIZATIONS BENEFITING PERSONS RESIDING, WORKING AND/OR ATTENDING SCHOOL IN THE VIRGINIA COUNTIES OF APPOMATTOX AND PRINCE EDWARD. PREFERENCE WILL BE GIVEN TO THOSE ORGANIZATIONS THAT DO NOT RECEIVE GOVERNMENT FUNDING.  
 RESTRICTIONS ON AWARDS:

**STATEMENT 10  
FORM 990-PF, PART XV, LINE 3A  
RECIPIENT PAID DURING THE YEAR**

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
THE APPOMATTOX COUNTY ASSEMBLY P.O. BOX 2169 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	\$ 1,000.

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**Statement 10 (continued)**  
**Form 990-PF, Part XV, Line 3a**  
**Recipient Paid During the Year**

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
VA COOP EXTENSION 4-H PO BOX 488 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	\$ 1,000.
HOLIDAY LAKE 4-H EDUCATIONAL CENTER INC 1267 4-H CAMP ROAD APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	8,000.
FORK UNION MILITARY ACADEMY P.O. BOX 278 FORK UNION, VA 23055	NONE	PUBLIC	CHARITABLE	2,750.
PROSPECT VOL. FIRE DEPARTMENT 550 HIXBURG RD PROSPECT, VA 23960	NONE	PUBLIC	CHARITABLE	6,000.
UNITED WAY OF PRINCE EDWARD P.O. BOX 122 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	8,000.
SCOPE MEALS ON WHEELS P.O. BOX 758 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	8,000.
CONCORD VOL FIRE DEPARTMENT P.O. BOX 26 CONCORD, VA 24538	NONE	PUBLIC	CHARITABLE	6,000.
APPOMATTOX BAPTIST ASSOCIATION 122 COUNTRYSIDE DR APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	1,000.
PAMPLIN VOL FIRE DEPARTMENT P.O. BOX 1099 PAMPLIN, VA 23958	NONE	PUBLIC	CHARITABLE	6,000.
UNITED DAUGHTERS OF THE CONFED 855 PRICE RD PAMPLIN, VA 23958	NONE	PUBLIC	CHARITABLE	1,000.
LONGWOOD CENTER FOR THE VISUAL ARTS 129 NORTH MAIN STREET FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	8,000.

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Statement 10 (continued)  
Form 990-PF, Part XV, Line 3a  
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
APPOMATTOX RETIRED TEACHERS AS 1024 SULPHER SPRING RD PROSPECT, VA 23960	NONE	PUBLIC	CHARITABLE	\$ 1,000.
APPOMATTOX 4-H EXCHANGE PROGRAM 216 TURKEY RD APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	1,000.
DARLINGTON HEIGHTS VOL FIRE DE 3348 MORRIS CREEK RD PAMPLIN, VA 23958	NONE	PUBLIC	CHARITABLE	6,000.
FACES P.O. BOX 644 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	8,000.
PRINCE EDWARD VOL. RESCUE SQD P.O. BOX 87 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	6,000.
HABITAT FOR HUMANITY P.O. BOX 816 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	8,000.
PROSPECT HISTORICAL SOCIETY 10379 prince edward hwy PROSPECT, VA 23960	NONE	PUBLIC	CHARITABLE	1,000.
APPOMATTOX COUNTY COMMUNITY PARK PO BOX 863 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	5,000.
ANIMAL WELFARE ACTION GROUP PO BOX 37 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	3,250.
GOOD SAMARITAN CLOTHING EXCHANGE PO BOX 2790 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	1,000.
PREGNANCY SUPPORT CENTER PO BOX 281 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	4,000.

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STATEMENT 10 (CONTINUED)  
FORM 990-PF, PART XV, LINE 3A  
RECIPIENT PAID DURING THE YEAR

<u>NAME AND ADDRESS</u>	<u>DONEE RELATIONSHIP</u>	<u>FOUND- ATION STATUS</u>	<u>PURPOSE OF GRANT</u>	<u>AMOUNT</u>
PRESBYTERIAN HOMES & FAMILY SERVICES 150 LINDEN AVE LYNCHBURG, VA 24503	NONE	PUBLIC	CHARITABLE	\$ 6,000.
TOTAL				\$ <u>107,000.</u>



REALIZED GAINS AND LOSSES  
 WALTER PAYNE FOUNDATION JAMES E CRAWLEY PRESIDENT  
 6645-3478-RS38-DFA-BP-Y  
 From 10-01-10 Through 09-30-11

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
01-07-10	03-02-11	3,756 602	Advisors Inner Circle ~ Fund Ii Inc New Pe	35,800 42		44,252 77		8,452 35
12-22-10	03-02-11	18 839	Fleming Cap Mut Fd Grp~ Jp Morgan Mid Cap	432 55		449 69	17 14	
01-07-10	03-02-11	2,409 589	Fleming Cap Mut Fd Grp~ Jp Morgan Mid Cap	46,673 73		57,516 89		1,0843 16
12-13-10	03-02-11	27 125	Ivy Funds Inc Captialxxxapprec Fund Class	251 72		262 03	10 31	
01-07-10	03-02-11	21,066 343	Ivy Funds Inc Captialxxxapprec Fund Class	179,906 57		203,500 87		23,594 30
06-03-10	03-02-11	822 623	Ivy Funds Inc Captialxxxapprec Fund Class	6,638 57		7,946 54	1,307 97	
04-27-05	03-02-11	185 134	Keeley Funds Inc ~ Small Cap Value Fu	3,347 22		4,815 33		1 468 11
11-02-10	03-02-11	29 006	Pimco Fds Total Return~ Fd CIA	339 08		315 30	(23 78)	
10-04-10	03-02-11	28 234	Pimco Fds Total Return~ Fd CIA	327 52		306 90	(20 62)	
12-02-10	03-02-11	30 659	Pimco Fds Total Return~ Fd CIA	352 27		333 26	(19 01)	
01-07-10	03-02-11	1,384 474	Pimco Fds Total Return~ Fd CIA	15,049 23		15,049 23		0 00
12-27-10	03-02-11	153 940	Pioneer Series Trust ~ In Cullen Value F	2,797 09		2,901 77	104 68	
01-07-10	03-02-11	3,685 187	Pioneer Series Trust ~ In Cullen Value F	62,869 29		69,465 78		6,596 49
12-20-10	03-02-11	4 993	Rowe T Price Intl Fds ~ Emerging Markets S	171 67		169 46	(2 21)	
12-20-10	03-02-11	16 978	Rowe T Price Intl Fds ~ Emerging Markets S	583 69		576 23	(7 46)	
01-07-10	03-02-11	487 731	Rowe T Price Intl Fds ~ Emerging Markets S	15,066 02		16,553 59		1,487 57
12-29-10	03-02-11	7 092	Thornburg Invt Tr ~ Intl Value Fd Cl I	201 69		211 27	9 58	
09-28-10	03-02-11	23 410	Thornburg Invt Tr ~ Intl Value Fd Cl I	625 06		697 38	72 32	
01-07-10	03-02-11	2,537 928	Thornburg Invt Tr ~ Intl Value Fd Cl I	65,326 26		75,604 88		10,278 62
10-26-10	09-23-11	56 770	Delaware Pooled Tr ~ Diversified Income	554 08		530 80	(23 28)	
09-24-10	09-23-11	61 835	Delaware Pooled Tr ~ Diversified Income	598 56		578 16	(20 40)	
11-24-10	09-23-11	59 715	Delaware Pooled Tr ~ Diversified Income	578 04		558 34	(19 70)	
08-23-11	09-23-11	70.534	Delaware Pooled Tr ~ Diversified Income	667 96		659 49	(8 47)	
01-07-10	09-23-11	5,098 740	Delaware Pooled Tr ~ Diversified Income	48,081 12		47,673 21		(407 91)
11-01-10	09-23-11	40 391	Vanguard Short Term ~ Investment Grade F	440 26		431 38	(8 88)	
10-01-10	09-23-11	42 726	Vanguard Short Term ~ Investment Grade F	464 43		456 31	(8 12)	
12-01-10	09-23-11	38 094	Vanguard Short Term ~ Investment Grade F	412 56		406 84	(5 72)	
02-01-11	09-23-11	38 759	Vanguard Short Term ~ Investment Grade F	418 60		413 95	(4 65)	

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REALIZED GAINS AND LOSSES  
 WALTER PAYNE FOUNDATION JAMES E CRAWLEY PRESIDENT  
 6645-3478-RS38-DFA-BP-Y  
 From 10-01-10 Through 09-30-11

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss		
							Short Term	Long Term	
06-01-11	09-23-11	42 381	Vanguard Short Term Investment Grade F	457 71		452 63	(5 08)		
03-02-11	09-23-11	34 045	Vanguard Short Term Investment Grade F	367 35		363 60	(3 75)		
08-01-11	09-23-11	41 822	Vanguard Short Term Investment Grade F	451 26		446 66	(4 60)		
03-02-11	09-23-11	2,783,340	Vanguard Short Term Investment Grade F	30,004 40		29,726 07	(278 33)		
05-02-11	09-23-11	42 322	Vanguard Short Term Investment Grade F	456 23		452 00	(4 23)		
01-03-11	09-23-11	38 688	Vanguard Short Term Investment Grade F	416 67		413 19	(3 48)		
12-31-10	09-23-11	8 336	Vanguard Short Term Investment Grade F	89 69		89 03	(0 66)		
03-23-11	09-23-11	16 607	Vanguard Short Term Investment Grade F	178 52		177 36	(1 16)		
03-23-11	09-23-11	48 157	Vanguard Short Term Investment Grade F	517 69		514 32	(3 37)		
07-01-11	09-23-11	40 432	Vanguard Short Term Investment Grade F	434 64		431 81	(2 83)		
04-01-11	09-23-11	43 200	Vanguard Short Term Investment Grade F	463 10		461 38	(1 72)		
09-01-11	09-23-11	41 535	Vanguard Short Term Investment Grade F	445 26		443 59	(1 67)		
01-07-10	09-23-11	1,340 813	Vanguard Short Term Investment Grade F	14,239 43		14,319 88		80 45	
TOTAL GAINS							1,522 00	62,801 04	
TOTAL LOSSES							(483 18)	(407 91)	
TOTAL REALIZED GAIN/LOSS							1,038 82	62,393 13	

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REALIZED GAINS AND LOSSES  
WALTER PAYNE FOUNDATION  
8617-3133-RS38-DAM-II-N  
From 10-01-10 Through 09-30-11

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
06-10-09	10-06-10	285 000	Nextera Energy Inc	15,707 75		15,534 00		(173 75)
03-03-10	10-06-10	125 000	Nextera Energy Inc	5,918 31		6,813 16	894 85	
10-14-09	10-20-10	98 000	Novo Nordisk As Adr	6,388 51		9,829 48		3,440 97
01-28-09	11-10-10	345 000	Abbott Laboratories	18,818 65		17,115 95		(1,702 70)
06-25-08	12-08-10	265 000	Albemarle Corp	11,594 99		14,453 71		2,858 72
06-30-10	01-05-11	382 000	Barrick Gold Corp	17,490 98		19,273 40	1,782 42	
03-10-10	01-12-11	111 000	Autozone Inc	18,702 51		27,837 85	9,135 34	
04-14-04	01-12-11	275 000	Colgate-palmolive Company	14,990 17		21,485 89		6,495 72
07-23-08	03-23-11	305 000	Spdr Series Trust S&p Biotech Etf	20,119 63		18,852 00		(1,267 63)
11-14-07	03-30-11	700 000	Cisco Systems Inc	21,002 59		12,190 90		(8,811 69)
05-14-08	03-30-11	255 000	Cisco Systems Inc	6,631 89		4,440 97		(2,190 92)
08-25-09	03-30-11	55 000	Cisco Systems Inc	1,212 20		957 86		(254 34)
12-29-10	03-30-11	125 000	Cisco Systems Inc	2,557 36		2,176 94	(380 42)	
11-19-08	03-30-11	97 000	Caterpillar Inc	3,430 16		10,770 90		7,340 74
04-28-10	04-06-11	325 000	Teva Pharmaceutical Industries Limited	19,373 15		16,489 04	(2,884 11)	
12-10-08	05-25-11	45 000	Cme Group Inc Class A	10,007 42		12,902 90		2,895 48
06-25-08	06-21-11	80 000	Albemarle Corp	3,500 38		5,290 30		1,789 92
09-17-08	06-21-11	50 000	Exxon Mobil Corp	3,800 56		4,007 42		206 86
11-03-10	06-21-11	48 000	Exxon Mobil Corp	3,269 62		3,847 13	577 51	
09-16-03	06-21-11	20 000	Markel Corp	5,401 40		7,797 85		2,396 45
11-10-10	07-27-11	265 000	Medco Health Solutions Inc	15,671 76		16,963 96	1,292 20	
02-03-10	09-14-11	315 000	Becton Dickinson & Company	24,142 67		23,942 06		(200 61)
08-11-10	09-14-11	1,410 000	Ford Motor Company New	17,739 92		14,369 03		(3,370 89)
04-14-10	09-14-11	250 000	General Dynamics Corp Common	19,157 88		14,585 07		(4,572 81)
04-05-11	09-14-11	135 000	General Dynamics Corp Common	10,091 18		7,875 94	(2,215 24)	
01-09-08	09-28-11	771 000	SabMiller Plc Adr Spons	21,693 24		25,224 10		3,530 86
TOTAL GAINS							13,682 32	30,955 72
TOTAL LOSSES							(5,479 77)	(22,545 34)
TOTAL REALIZED GAIN/LOSS							8,202 55	8,410 38

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