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

**2010**

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

For calendar year 2010, or tax year beginning 10/01, 2010, and ending 09/30, 2011

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

Name of foundation: FAY DURHAM CARTER CHARITABLE TRUST A Employer identification number: 54-6535143  
 Number and street (or P.O. box number if mail is not delivered to street address): C/O BB&T 434 FAYETTEVILLE ST. 14TH FL Room/suite:  B Telephone number (see page 10 of the instructions): (919) 716-9045  
 City or town, state, and ZIP code: RALEIGH, NC 27601

H Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation  
 I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 611,351. J Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_ (Part I, column (d) must be on cash basis.)  
 C If exemption application is pending, check here . . . . .   
 D 1 Foreign organizations, check here . . . . .   
 2 Foreign organizations meeting the 85% test, check here and attach computation . . . . .   
 E If private foundation status was terminated under section 507(b)(1)(A), check here . . . . .   
 F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . . . . .

SCANNED NOV 25 2011

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	13,357.	13,574.		STMT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	58,847.			
b	Gross sales price for all assets on line 6a <u>572,989.</u>				
7	Capital gain net income (from Part IV, line 2)		58,847.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)				
12	<b>Total.</b> Add lines 1 through 11	72,204.	72,421.		
13	Compensation of officers, directors, trustees, etc.	6,739.	6,739.		
14	Other employee salaries and wages		NONE	NONE	
15	Pension plans, employee benefits		NONE	NONE	
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) STMT 2	1,000.	NONE	NONE	1,000.
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions) STMT 3	OGDEN, 725.	261.		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings		NONE	NONE	
22	Printing and publications		NONE	NONE	
23	Other expenses (attach schedule)				
24	<b>Total operating and administrative expenses.</b> Add lines 13 through 23	8,464.	7,000.	NONE	1,000.
25	Contributions, gifts, grants paid	23,084.			23,084.
26	<b>Total expenses and disbursements</b> Add lines 24 and 25	31,548.	7,000.	NONE	24,084.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	40,656.			
b	<b>Net investment income</b> (if negative, enter -0-)		65,421.		
c	<b>Adjusted net income</b> (if negative, enter -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	End of year	
	(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>			
1 Cash - non-interest-bearing			
2 Savings and temporary cash investments	16,331.	5,969.	5,969.
3 Accounts receivable			
Less: allowance for doubtful accounts			
4 Pledges receivable			
Less: allowance for doubtful accounts			
5 Grants receivable			
6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
7 Other notes and loans receivable (attach schedule)			
Less: allowance for doubtful accounts	NONE		
8 Inventories for sale or use			
9 Prepaid expenses and deferred charges			
10 a Investments - U S and state government obligations(attach schedule).			
b Investments - corporate stock (attach schedule)			
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)	588,887.	639,905.	605,382.
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 the instructions. Also, see page 1, item I)	605,218.	645,874.	611,351.
<b>Liabilities</b>			
17 Accounts payable and accrued expenses			
18 Grants payable			
19 Deferred revenue			
20 Loans from officers, directors, trustees, and other disqualified persons			
21 Mortgages and other notes payable (attach schedule)			
22 Other liabilities (describe )			
23 <b>Total liabilities</b> (add lines 17 through 22)			
<b>Net Assets or Fund Balances</b>			
<b>Foundations that follow SFAS 117, check here</b> <input type="checkbox"/>			
<b>and complete lines 24 through 26 and lines 30 and 31.</b>			
24 Unrestricted			
25 Temporarily restricted			
26 Permanently restricted			
<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> <input checked="" type="checkbox"/>			
27 Capital stock, trust principal, or current funds	605,218.	645,874.	
28 Paid-in or capital surplus, or land, bldg, and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds			
30 <b>Total net assets or fund balances</b> (see page 17 of the instructions)	605,218.	645,874.	
31 <b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions)	605,218.	645,874.	

**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	605,218.
2 Enter amount from Part I, line 27a	2	40,656.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	645,874.
5 Decreases not included in line 2 (itemize)	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	645,874.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr.)
1a SEE PART IV DETAIL					
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) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
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	58,847.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8. . . . .			3		

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	29,000.	610,556.	0.04749769063
2008	950.	546,761.	0.00173750505
2007	35,402.	711,850.	0.04973238744
2006	40,968.	771,021.	0.05313473952
2005	71,313.	752,048.	0.09482506436
2 Total of line 1, column (d) . . . . .			2 0.24692738700
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 0.04938547740
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5 . . . . .			4 664,450.
5 Multiply line 4 by line 3 . . . . .			5 32,814.
6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .			6 654.
7 Add lines 5 and 6 . . . . .			7 33,468.
8 Enter qualifying distributions from Part XII, line 4 . . . . . If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.			8 24,084.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', and 'Tax based on investment income'. Total tax due is 976.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, unrelated business income, and substantial contributors. Includes 'Yes' and 'No' columns.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) . . . . . 11 X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? . . . . . 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? . . . . . 13 X
Website address N/A
14 The books are in care of BRANCH BANKING & TRUST COMP Telephone no. (336)291-1102
Located at 7823 NATIONAL SERVICE ROAD, GREENSBORO, NC ZIP + 4 27409-9463
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here . . . . . 15
16 At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? . . . . . 16 Yes No X
See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.
1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . . . Yes X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . . Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . . Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . . Yes X 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 X 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 X No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? . . . . . 1b X
Organizations relying on a current notice regarding disaster assistance check here . . . . .
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? . . . . . 1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? . . . . . Yes X No
If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions.) . . . . . 2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . . . . Yes X No
b If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010) . . . . . 3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? . . . . . 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010? . . . . . 4b X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

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

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

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

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

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

Organizations relying on a current notice regarding disaster assistance check here

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

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

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b**  Yes  No  
If "Yes" to 6b, file Form 8870.

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

**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b**  Yes  No

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 7		6,739.	-0-	-0-

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."**

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

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

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

**3 Five highest-paid independent contractors for professional services** (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		NONE

Total number of others receiving over \$50,000 for professional services . . . . . **NONE**

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

	Expenses
1 NONE	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	

Total. Add lines 1 through 3 . . . . .

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

<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>	666,160.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	8,409.
<b>c</b>	Fair market value of all other assets (see page 25 of the instructions)	<b>1c</b>	NONE
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	674,569.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	NONE
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	674,569.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	10,119.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	664,450.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	33,223.

**Part XI Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	33,223.
<b>2a</b>	Tax on investment income for 2010 from Part VI, line 5	<b>2a</b>	1,308.
<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>	1,308.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	31,915.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	NONE
<b>5</b>	Add lines 3 and 4	<b>5</b>	31,915.
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	NONE
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	31,915.

**Part XII Qualifying Distributions** (see page 25 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	24,084.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	NONE
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	NONE
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	NONE
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	24,084.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	<b>5</b>	N/A
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	24,084.

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

**Part XIII Undistributed Income** (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
<b>1</b> Distributable amount for 2010 from Part XI, line 7 . . . . .				31,915.
<b>2</b> Undistributed income, if any, as of the end of 2010				
<b>a</b> Enter amount for 2009 only . . . . .			23,084.	
<b>b</b> Total for prior years 20 08 , 20 , 20 . . . . .		NONE		
<b>3</b> Excess distributions carryover, if any, to 2010:				
<b>a</b> From 2005 . . . . .	NONE			
<b>b</b> From 2006 . . . . .	NONE			
<b>c</b> From 2007 . . . . .	NONE			
<b>d</b> From 2008 . . . . .	NONE			
<b>e</b> From 2009 . . . . .	NONE			
<b>f</b> Total of lines 3a through e . . . . .	NONE			
<b>4</b> Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 24,084 .				
<b>a</b> Applied to 2009, but not more than line 2a . . . . .			23,084.	
<b>b</b> Applied to undistributed income of prior years (Election required - see page 26 of the instructions) . . . . .		NONE		
<b>c</b> Treated as distributions out of corpus (Election required - see page 26 of the instructions) . . . . .	NONE			
<b>d</b> Applied to 2010 distributable amount . . . . .				1,000.
<b>e</b> Remaining amount distributed out of corpus . . . . .	NONE			
<b>5</b> Excess distributions carryover applied to 2010 . . . . . (If an amount appears in column (d), the same amount must be shown in column (a) )	NONE			NONE
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5 . . . . .	NONE			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		NONE		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .		NONE		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see page 27 of the instructions . . . . .		NONE		
<b>e</b> Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions . . . . .				
<b>f</b> Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011 . . . . .				30,915.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) . . . . .	NONE			
<b>8</b> Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . .	NONE			
<b>9</b> Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a . . . . .	NONE			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2006 . . . . .	NONE			
<b>b</b> Excess from 2007 . . . . .	NONE			
<b>c</b> Excess from 2008 . . . . .	NONE			
<b>d</b> Excess from 2009 . . . . .	NONE			
<b>e</b> Excess from 2010 . . . . .	NONE			

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

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

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

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

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

**1 Information Regarding Foundation Managers:**

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

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

SEE STATEMENT 8

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

SEE ATTACHED STATEMENT FOR LINE 2

**c** Any submission deadlines:

SEE ATTACHED STATEMENT FOR LINE 2

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

SEE ATTACHED STATEMENT FOR LINE 2

**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 <i>Paid during the year</i>  SEE STATEMENT 9				
<b>Total</b> ..... ▶ <b>3a</b>				23,084.
b <i>Approved for future payment</i>				
<b>Total</b> ..... ▶ <b>3b</b>				





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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS					559.	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					325.	
1,633.00		59.699 INVESCO INTERNATIONAL GROWTH FUND PROPERTY TYPE: SECURITIES 1,548.00				04/13/2010	12/10/2010 85.00	
32,400.00		1184.65 INVESCO INTERNATIONAL GROWTH FUN PROPERTY TYPE: SECURITIES 27,105.00				08/27/2009	12/10/2010 5,295.00	
11,762.00		515.876 ALLIANZ AGIC OPPORTUNITY FD FUND PROPERTY TYPE: SECURITIES 9,652.00				02/12/2010	12/10/2010 2,110.00	
32,659.00		1603.294 ARTISAN MID CAP VALUE #1464 CLD PROPERTY TYPE: SECURITIES 26,150.00				08/27/2009	12/10/2010 6,509.00	
		.001 BB&T STERLING CAPITAL SMALL CAP VAL PROPERTY TYPE: SECURITIES				08/28/2003	12/10/2010	
67.00		3.819 BB&T SPECIAL OPPORTUNITIES CL I FU PROPERTY TYPE: SECURITIES 55.00				08/27/2009	12/13/2010 12.00	
284.00		16.054 BB&T SPECIAL OPPORTUNITIES CL I F PROPERTY TYPE: SECURITIES 232.00				08/27/2009	12/17/2010 52.00	
13,283.00		746.209 BB&T SPECIAL OPPORTUNITIES CL I PROPERTY TYPE: SECURITIES 10,775.00				08/27/2009	12/27/2010 2,508.00	
4,233.00		318.001 DODGE & COX INCOME FUND PROPERTY TYPE: SECURITIES 4,169.00				04/13/2010	12/10/2010 64.00	
37,082.00		2785.995 DODGE & COX INCOME FUND PROPERTY TYPE: SECURITIES 35,661.00				08/27/2009	12/10/2010 1,421.00	

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
10,810.00		599.89					04/13/2010	12/10/2010
		EATON VANCE LARGE CAP VALUE FUND PROPERTY TYPE: SECURITIES						
		10,906.00					-96.00	
44,148.00		2449.957					08/27/2009	12/10/2010
		EATON VANCE LARGE CAP VALUE FUN PROPERTY TYPE: SECURITIES						
		38,293.00					5,855.00	
487.00		49.231					04/13/2010	12/10/2010
		FEDERATED HIGH YIELD BOND INST CL PROPERTY TYPE: SECURITIES						
		480.00					7.00	
9,829.00		993.847					08/27/2009	12/10/2010
		FEDERATED HIGH YIELD BOND INST C PROPERTY TYPE: SECURITIES						
		8,825.00					1,004.00	
20,237.00		2052.424					04/13/2010	12/10/2010
		FEDERATED MORTGAGE INSTITUTIONA PROPERTY TYPE: SECURITIES						
		20,319.00					-82.00	
20,839.00		1625.52					04/13/2010	12/10/2010
		FIDELITY ADVISOR STRATEGIC INC F PROPERTY TYPE: SECURITIES						
		20,319.00					520.00	
7,275.00		664.387					12/10/2010	06/10/2011
		MERK ABSOLUTE STRATEGIES FUND IN PROPERTY TYPE: SECURITIES						
		7,202.00					73.00	
279.00		4.499					01/19/2007	01/18/2011
		HARBOR INTL FD PROPERTY TYPE: SECURITIES						
		280.00					-1.00	
817.00		13.075					01/19/2007	02/08/2011
		HARBOR INTL FD PROPERTY TYPE: SECURITIES						
		815.00					2.00	
37.00		.597					01/19/2007	02/09/2011
		HARBOR INTL FD PROPERTY TYPE: SECURITIES						
		37.00						
671.00		10.891					01/19/2007	02/10/2011
		HARBOR INTL FD PROPERTY TYPE: SECURITIES						
		679.00					-8.00	

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
284.00		4.523 HARBOR INTL FD PROPERTY TYPE: SECURITIES 282.00				01/19/2007	02/17/2011	2.00
4,083.00		66.362 HARBOR INTL FD PROPERTY TYPE: SECURITIES 4,135.00				01/19/2007	03/11/2011	-52.00
14,054.00		349. ISHARES MSCI EAFE SMALL CAP INDEX F PROPERTY TYPE: SECURITIES 12,195.00				10/05/2009	11/18/2010	1,859.00
1,160.00		11. ISHARES BARCLAYS CREDIT BOND FUND PROPERTY TYPE: SECURITIES 1,126.00				04/13/2010	11/18/2010	34.00
19,819.00		188. ISHARES BARCLAYS CREDIT BOND FUND PROPERTY TYPE: SECURITIES 18,979.00				08/27/2009	11/18/2010	840.00
4,060.00		262.633 JP MORGAN HIGHBRIDGE STATISTICAL PROPERTY TYPE: SECURITIES 3,979.00				12/27/2010	06/10/2011	81.00
15,068.00		704.096 LAZARD EMERGING MKTS PORTFOLIO I PROPERTY TYPE: SECURITIES 11,427.00				08/27/2009	12/10/2010	3,641.00
5,388.00		548.689 MANAGERS AMG FQ GLOBAL ALTERNATI PROPERTY TYPE: SECURITIES 5,602.00				12/10/2010	06/10/2011	-214.00
24.00		1.326 NAKOMA ABSOLUTE RETURN FUND # 428 PROPERTY TYPE: SECURITIES 25.00				01/10/2011	06/10/2011	-1.00
70,461.00		9332.58 NEUBERGER & BERMAN LARGE CAP DIS PROPERTY TYPE: SECURITIES 57,022.00				08/27/2009	12/10/2010	13,439.00
20,066.00		1942.543 PIMCO LOW DURATION FUND PROPERTY TYPE: SECURITIES 20,319.00				04/13/2010	12/10/2010	-253.00

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
28,541.00		2744.326					12/10/2010	02/08/2011
		PIMCO PIMS FOREIGN BOND FUND PROPERTY TYPE: SECURITIES						
		28,459.00					82.00	
10,248.00		985.393					08/27/2009	02/08/2011
		PIMCO PIMS FOREIGN BOND FUND PROPERTY TYPE: SECURITIES						
		9,933.00					315.00	
543.00		61.242					04/13/2010	12/10/2010
		PIMCO COMMODITY REAL RETURN STRAT PROPERTY TYPE: SECURITIES						
		493.00					50.00	
20,883.00		2354.354					08/27/2009	12/10/2010
		PIMCO COMMODITY REAL RETURN STR PROPERTY TYPE: SECURITIES						
		17,846.00					3,037.00	
10,393.00		1058.333					04/13/2010	12/10/2010
		T ROWE PRICE INSTITUTIONAL EMER PROPERTY TYPE: SECURITIES						
		10,160.00					233.00	
39,858.00		4208.902					02/08/2011	03/10/2011
		T ROWE PRICE TAX FREE INCOME FD PROPERTY TYPE: SECURITIES						
		39,311.00					547.00	
267.00		23.963					12/10/2010	08/17/2011
		STERLING CAPITAL TOTAL RETURN BON PROPERTY TYPE: SECURITIES						
		260.00					7.00	
263.00		23.778					12/10/2010	09/16/2011
		STERLING CAPITAL TOTAL RETURN BON PROPERTY TYPE: SECURITIES						
		258.00					5.00	
33,420.00		2235.455					10/05/2009	12/10/2010
		TCW GROWTH EQUITIES FUND CL I PROPERTY TYPE: SECURITIES						
		25,171.00					8,249.00	
27.00		2.011					02/10/2011	03/17/2011
		MARKETFIELD FUND INST CL FUND # 65 PROPERTY TYPE: SECURITIES						
		28.00					-1.00	
1.00		.072					02/10/2011	05/10/2011
		MARKETFIELD FUND INST CL FUND # 652 PROPERTY TYPE: SECURITIES						
		1.00						

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
69.00		4.884 MARKETFIELD FUND INST CL FUND # 65 PROPERTY TYPE: SECURITIES 69.00					02/10/2011	05/10/2011
31.00		2.254 MARKETFIELD FUND INST CL FUND # 65 PROPERTY TYPE: SECURITIES 32.00					02/10/2011	05/17/2011
6,078.00		556.052 VANGUARD GNMA FUND #36 CL INV PROPERTY TYPE: SECURITIES 5,972.00					04/13/2010	12/10/2010
14,601.00		1335.854 VANGUARD GNMA FUND #36 CL INV PROPERTY TYPE: SECURITIES 14,387.00					10/05/2009	12/10/2010
231.00		19.852 VIRTUS QUALITY SMALL CAP FUND CL PROPERTY TYPE: SECURITIES 173.00					10/05/2009	03/17/2011
66.00		5.354 VIRTUS QUALITY SMALL CAP FUND CL I PROPERTY TYPE: SECURITIES 47.00					10/05/2009	04/11/2011
288.00		23.315 VIRTUS QUALITY SMALL CAP FUND CL PROPERTY TYPE: SECURITIES 240.00					04/13/2010	04/15/2011
259.00		20.814 VIRTUS QUALITY SMALL CAP FUND CL PROPERTY TYPE: SECURITIES 214.00					04/13/2010	05/17/2011
53.00		4.451 VIRTUS QUALITY SMALL CAP FUND CL I PROPERTY TYPE: SECURITIES 46.00					04/13/2010	06/13/2011
283.00		23.273 VIRTUS QUALITY SMALL CAP FUND CL PROPERTY TYPE: SECURITIES 239.00					04/13/2010	06/17/2011
288.00		22.522 VIRTUS QUALITY SMALL CAP FUND CL PROPERTY TYPE: SECURITIES 232.00					04/13/2010	07/15/2011

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
2,173.00		2,038.00					12/10/2010	02/10/2011
							135.00	
TOTAL GAIN (LOSS) .....							----- 58,847. =====	

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

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT INCOME	13,357.	13,574.
TOTAL	13,357.	13,574.

FORM 990PF, PART I - ACCOUNTING FEES  
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEE (NON-ALLOC	1,000.			1,000.
TOTALS	1,000.	NONE	NONE	1,000.

FORM 990PF, PART I - TAXES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FEDERAL TAX PAYMENT - PRIOR YE	132.	
FEDERAL ESTIMATES - PRINCIPAL	332.	
FOREIGN TAXES ON QUALIFIED FOR	242.	242.
FOREIGN TAXES ON NONQUALIFIED	19.	19.
TOTALS	725.	261.

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION	COST/ FMV		ENDING FMV
	C	OR F	

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BB&T INTER US GOV'T I FD #0341	C		
FEDERATED MRTG INST CL FD #835	C		
PIMCO LOW DURATION FD CL I #36	C		
VANGUARD GNMA FD #36 CL INV	C		
ALLIANZ AGIC OPPORT FD #4624	C		
ARTISAN MID CAP VALUE #1464	C		
BB&T SMALL CAP FD CL I FD #315	C		
BB&T SPECL OPPORT CL FD #0321	C		
EATON VANCE LRG CAP VAL FD 223	C	37,411.	37,195.
HARBOR INTL FD INST CL #11	C	46,812.	37,828.
INVESCO INTL GROWTH FD CL I	C		
ISHARES LEHMAN CREDIT BOND FD	C		
ISHARES MSCI EAF SM CAP INDEX	C		
LAZARD EMERG MKTS PORT FD #638	C	20,238.	20,813.
NEU & BER LRG CP DISC FD 1810	C		
PIMCO COMM REAL RET STRA FD 45	C		
PIMCO FOREIGN BD FD CL I #103	C	39,557.	40,625.
TCW GROWTH EQUITIES FUND CL I	C		
VIRTUS QUALITY SML CP FD #1764	C	13,544.	16,554.
DODGE & COX INCOME FD #147	C		
FED'RT HIGH YLD BD INST FD 900	C		
FIDELITY ADV STRATEGIC FD #648	C		
T R PRICE INST EMERG MKTS #163	C		
DWS CAPITAL GROWTH FD #564	C	56,682.	49,374.
FEDERATED MDT SMALL CAP #284	C	9,803.	8,482.
GOLDMAN SACHS GROWTH OPP #1132	C	31,208.	26,477.
STERLING CAPITAL EQ INC #322	C	42,478.	41,025.
STERLING CAPITAL SP OPP #321	C	14,830.	16,021.
STERLING CAPITAL MID VAL #312	C	46,879.	40,318.

FORM 990PF, PART II - OTHER INVESTMENTS

=====

COST/  
FMV

C OR F

-----

ENDING

FMV

ENDING

BOOK VALUE

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DESCRIPTION	COST/ FMV	C OR F	ENDING BOOK VALUE	ENDING FMV
FORWARD INTER SMALL #111		C	13,137.	10,807.
HARDING LOEVNER INTER #4951		C	29,741.	25,709.
OPPENHEIMER DEV MARKET #788		C	17,338.	14,202.
AQR MANAGED #113		C	5,722.	5,663.
COHEN & STEERS REALTY		C	20,005.	18,749.
CREDIT SUISSE COMM #2156		C	20,005.	17,241.
DRIEHAUS ACTIVE INC #1123		C	70.	62.
HIGHLAND L/S EQUITY #305		C	4,849.	4,652.
MANAGERS AMG FQ #335		C	6,130.	5,823.
THE MERGER FUND		C	1,400.	1,357.
MARKETFIELD INST #6529		C	7,265.	6,960.
WASATCH 1ST L/S #9		C	1,884.	1,792.
STERLING CAPITAL INTERMEDIATE		C	37,402.	39,685.
STERLING CAPITAL TOTAL RETURN		C	115,515.	117,968.

TOTALS

-----  
639,905.  
-----  
=====

-----  
605,382.  
-----  
=====

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

VA

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

OFFICER NAME:

BRANCH BANKING AND TRUST

ADDRESS:

7823 NATIONAL SERVICE ROAD  
GREENSBORO, NC 27409-9463

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION ..... 6,739.

TOTAL COMPENSATION: ..... 6,739.  
=====

=====

RECIPIENT NAME:

BRANCH BANKING & TRUST

ADDRESS:

7823 NATIONAL SERVICE ROAD  
GREENSBORO, NC 27409-9463

RECIPIENT'S PHONE NUMBER: 336-291-1102

FORM, INFORMATION AND MATERIALS:

SOLICITATION SHOULD INCLUDE TYPE OF CHARITY AND DEFINED NEEDS

SUBMISSION DEADLINES:

NONE

RESTRICTIONS OR LIMITATIONS ON AWARDS:

CHARITABLE INSTITUTIONS OR ORGANIZATIONS THAT ARE LOCATED IN OR ARE  
INTENDED TO PROVIDE BENEFIT TO THE DANVILLE AREA WITH PREFERENCE TO  
BENEFIT YOUTH

=====

RECIPIENT NAME:

THE COMMUNITY FOUNDATION OF THE  
DAN RIVER REGION

ADDRESS:

P. O. BOX 1039  
DANVILLE, VA 24543

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL PURPOSE OF THE CHARITY

FOUNDATION STATUS OF RECIPIENT:

EXEMPT

AMOUNT OF GRANT PAID ..... 23,084.

TOTAL GRANTS PAID: ..... 23,084.

=====

**SCHEDULE D .  
(Form 1041)**

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

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

OMB No 1545-0092

**2010**

Name of estate or trust

Employer identification number

FAY DURHAM CARTER CHARITABLE TRUST

54-6535143

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

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a SHORT-TERM CAPITAL GAIN DIVIDENDS		STMT 1			559.

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .	<b>1b</b>	3,493.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .	<b>2</b>	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>3</b>	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet . . . . .	<b>4</b>	( )
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back . . . . . ▶	<b>5</b>	4,052.

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS		STMT 1			325.

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .	<b>6b</b>	54,470.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .	<b>7</b>	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>8</b>	
9 Capital gain distributions . . . . .	<b>9</b>	
10 Gain from Form 4797, Part I . . . . .	<b>10</b>	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet . . . . .	<b>11</b>	( )
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back . . . . . ▶	<b>12</b>	54,795.

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

Schedule D (Form 1041) 2010

<b>Part III Summary of Parts I and II</b> <b>Caution: Read the instructions before completing this part.</b>		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
<b>13</b>	<b>Net short-term gain or (loss)</b> . . . . .	<b>13</b>		4,052.
<b>14</b>	<b>Net long-term gain or (loss):</b>			
a	Total for year . . . . .	<b>14a</b>		54,795.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh.) . . . . .	<b>14b</b>		
c	28% rate gain . . . . .	<b>14c</b>		
<b>15</b>	<b>Total net gain or (loss).</b> Combine lines 13 and 14a . . . . . ▶	<b>15</b>		58,847.

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

**Part IV Capital Loss Limitation**

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

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

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

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

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

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

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

**SCHEDULE D-1 .  
(Form 1041)**

**Continuation Sheet for Schedule D  
(Form 1041)**

OMB No 1545-0092

**2010**

Department of the Treasury  
Internal Revenue Service

▶ See instructions for Schedule D (Form 1041).  
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

Name of estate or trust **FAY DURHAM CARTER CHARITABLE TRUST** Employer identification number **54-6535143**

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a 59.699 INVESCO INTERNATIONAL GROWTH FUND CL I F	04/13/2010	12/10/2010	1,633.00	1,548.00	85.00
515.876 ALLIANZ AGIC OPPORTUNITY FD FUND # 4624	02/12/2010	12/10/2010	11,762.00	9,652.00	2,110.00
318.001 DODGE & COX INCOME FUND	04/13/2010	12/10/2010	4,233.00	4,169.00	64.00
599.89 EATON VANCE LARGE CAP VALUE FUND CL I FU	04/13/2010	12/10/2010	10,810.00	10,906.00	-96.00
49.231 FEDERATED HIGH YIELD BOND INST CL FUND #	04/13/2010	12/10/2010	487.00	480.00	7.00
2052.424 FEDERATED MORTGAGE INSTITUTIONAL CLAS	04/13/2010	12/10/2010	20,237.00	20,319.00	-82.00
1625.52 FIDELITY ADVISOR STRATEGIC INC FD CLASS I	04/13/2010	12/10/2010	20,839.00	20,319.00	520.00
664.387 MERK ABSOLUTE STRATEGIES FUND INST CL CL	12/10/2010	06/10/2011	7,275.00	7,202.00	73.00
11. ISHARES BARCLAYS CREDIT BOND FUND	04/13/2010	11/18/2010	1,160.00	1,126.00	34.00
262.633 JP MORGAN HIGHBRIDGE STATISTICAL MARK	12/27/2010	06/10/2011	4,060.00	3,979.00	81.00
548.689 MANAGERS AMG FQ GLOBAL ALTERNATIVE FUND	12/10/2010	06/10/2011	5,388.00	5,602.00	-214.00
1.326 NAKOMA ABSOLUTE RETURN FUND # 428	01/10/2011	06/10/2011	24.00	25.00	-1.00
1942.543 PIMCO LOW DURATION FUND	04/13/2010	12/10/2010	20,066.00	20,319.00	-253.00
2744.326 PIMCO PIMS FOREIGN BOND FUND	12/10/2010	02/08/2011	28,541.00	28,459.00	82.00
61.242 PIMCO COMMODITY REAL RETURN STRATEGY INS	04/13/2010	12/10/2010	543.00	493.00	50.00
1058.333 T ROWE PRICE INSTITUTIONAL EMERGING MARK	04/13/2010	12/10/2010	10,393.00	10,160.00	233.00
4208.902 T ROWE PRICE TAX FREE INCOME FD #45	02/08/2011	03/10/2011	39,858.00	39,311.00	547.00
23.963 STERLING CAPITAL TOTAL RETURN BOND FUND	12/10/2010	08/17/2011	267.00	260.00	7.00
23.778 STERLING CAPITAL TOTAL RETURN BOND FUND	12/10/2010	09/16/2011	263.00	258.00	5.00
2.011 MARKETFIELD FUND INST CL FUND # 6529	02/10/2011	03/17/2011	27.00	28.00	-1.00
.072 MARKETFIELD FUND INST CL FUND # 6529	02/10/2011	05/10/2011	1.00	1.00	
4.884 MARKETFIELD FUND INST CL FUND # 6529	02/10/2011	05/10/2011	69.00	69.00	
2.254 MARKETFIELD FUND INST CL FUND # 6529	02/10/2011	05/17/2011	31.00	32.00	-1.00
556.052 VANGUARD GNMA FUND #36 CL INV	04/13/2010	12/10/2010	6,078.00	5,972.00	106.00

**1b Total.** Combine the amounts in column (f). Enter here and on Schedule D, line 1b . . . . .

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

Schedule D-1 (Form 1041) 2010



Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number

FAY DURHAM CARTER CHARITABLE TRUST

54-6535143

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

(a) Description of property (Example 100 sh. 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 1184.65 INVESCO INTERNATIONAL GROWTH FUND C	08/27/2009	12/10/2010	32,400.00	27,105.00	5,295.00
1603.294 ARTISAN MID CAP VALUE #1464 CLD TO NEW I	08/27/2009	12/10/2010	32,659.00	26,150.00	6,509.00
3.819 BB&T SPECIAL OPPORTUNITIES CL I FUND # 0	08/27/2009	12/13/2010	67.00	55.00	12.00
16.054 BB&T SPECIAL OPPORTUNITIES CL I FUND # 0	08/27/2009	12/17/2010	284.00	232.00	52.00
746.209 BB&T SPECIAL OPPORTUNITIES CL I FUND # 0	08/27/2009	12/27/2010	13,283.00	10,775.00	2,508.00
2785.995 DODGE & COX INCOME FUND	08/27/2009	12/10/2010	37,082.00	35,661.00	1,421.00
2449.957 EATON VANCE LARGE CAP VALUE FUND CL I FU	08/27/2009	12/10/2010	44,148.00	38,293.00	5,855.00
993.847 FEDERATED HIGH YIELD BOND INST CL FUND #	08/27/2009	12/10/2010	9,829.00	8,825.00	1,004.00
4.499 HARBOR INTL FD	01/19/2007	01/18/2011	279.00	280.00	-1.00
13.075 HARBOR INTL FD	01/19/2007	02/08/2011	817.00	815.00	2.00
.597 HARBOR INTL FD	01/19/2007	02/09/2011	37.00	37.00	
10.891 HARBOR INTL FD	01/19/2007	02/10/2011	671.00	679.00	-8.00
4.523 HARBOR INTL FD	01/19/2007	02/17/2011	284.00	282.00	2.00
66.362 HARBOR INTL FD	01/19/2007	03/11/2011	4,083.00	4,135.00	-52.00
349. ISHARES MSCI EAFE SMALL CAP INDEX FUND	10/05/2009	11/18/2010	14,054.00	12,195.00	1,859.00
188. ISHARES BARCLAYS CREDIT BOND FUND	08/27/2009	11/18/2010	19,819.00	18,979.00	840.00
704.096 LAZARD EMERGING MKTS PORTFOLIO INST CLAS	08/27/2009	12/10/2010	15,068.00	11,427.00	3,641.00
9332.58 NEUBERGER & BERMAN LARGE CAP DISCIPLINED GROWT	08/27/2009	12/10/2010	70,461.00	57,022.00	13,439.00
985.393 PIMCO PIMS FOREIGN BOND FUND	08/27/2009	02/08/2011	10,248.00	9,933.00	315.00
2354.354 PIMCO COMMODITY REAL RETURN STRATEGY INS	08/27/2009	12/10/2010	20,883.00	17,846.00	3,037.00
2235.455 TCW GROWTH EQUITIES FUND CL I	10/05/2009	12/10/2010	33,420.00	25,171.00	8,249.00
1335.854 VANGUARD GNMA FUND #36 CL INV	10/05/2009	12/10/2010	14,601.00	14,387.00	214.00
19.852 VIRTUS QUALITY SMALL CAP FUND CL I FUND	10/05/2009	03/17/2011	231.00	173.00	58.00
5.354 VIRTUS QUALITY SMALL CAP FUND CL I FUND	10/05/2009	04/11/2011	66.00	47.00	19.00
23.315 VIRTUS QUALITY SMALL CAP FUND CL I FUND	04/13/2010	04/15/2011	288.00	240.00	48.00

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . .



FEDERAL CAPITAL GAIN DIVIDENDS  
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SHORT-TERM CAPITAL GAIN DIVIDENDS  
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FEDERATED HIGH YIELD BOND INST CL FUND #	63.00
HIGHLAND LONG/SHORT EQUITY FUND CL Z FUN	24.00
THE MERGER FUND	9.00
THE MERGER FUND	16.00
PIMCO LOW DURATION FUND	309.00
PIMCO PIMS FOREIGN BOND FUND	138.00

TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS 559.00  
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LONG-TERM CAPITAL GAIN DIVIDENDS  
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15% RATE CAPITAL GAIN DIVIDENDS

BB&T SPECIAL OPPORTUNITIES CL I FUND # 0	175.00
FEDERATED HIGH YIELD BOND INST CL FUND #	20.00
PIMCO LOW DURATION FUND	62.00
PIMCO PIMS FOREIGN BOND FUND	69.00

TOTAL 15% RATE CAPITAL GAIN DIVIDENDS 325.00  
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TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS 325.00  
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