FEB 20 2013

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

For calendar year 2011, or tax year beginning , and ending

Name of foundation	A Employer identification number
BALLARD FAMILY FOUNDATION	56-2025731
Number and street (or P O box number if mail is not delivered to street address) 4506 MONCK COURT — Room/suite	B Telephone number (see instructions) 252-522-1220
City or town, state, and ZIP code NEW BERN NC 28562	C If exemption application is pending, check here ▶ ☐

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

D 1 Foreign organizations, check here ▶ ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 146,086

J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ▶ [X] if the foundation is **not** required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	6,349	6,349		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 Stmt 1	-12,124			
	b Gross sales price for all assets on line 6a 47,555				
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns & allowances				
	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) Stmt 2	65			
	12 **Total.** Add lines 1 through 11	-5,710	6,349	0	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) Stmt 3	500	500		
	c Other professional fees (attach schedule) Stmt 4	4,384	4,384		
	17 Interest				
	18 Taxes (attach schedule) (see instructions) Stmt 5	738	738		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att sch)				
	24 **Total operating and administrative expenses.** Add lines 13 through 23	5,622	5,622	0	0
	25 Contributions, gifts, grants paid	7,867			7,867
	26 **Total expenses and disbursements.** Add lines 24 and 25	13,489	5,622	0	7,867
	27 Subtract line 26 from line 12				
	a **Excess of revenue over expenses and disbursements**	-19,199			
	b **Net investment income** (if negative, enter -0-)		727		
	c **Adjusted net income** (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

DAA

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	5,312	2,133	2,133
	2	Savings and temporary cash investments			
	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 instructions)			
	7	Other notes and loans receivable (att schedule) ▶ Less: allowance for doubtful accounts ▶ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule) See Stmt 6	202,343	186,323	143,95[illegible]
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 2,748 Less accumulated depreciation (attach sch) ▶ Stmt 7 2,748			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	207,655	188,456	146,086
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ [X] **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	207,655	188,456	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ [ ] **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	207,655	188,456	
	31	**Total liabilities and net assets/fund balances** (see instructions)	207,655	188,456	

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	207,655
2	Enter amount from Part I, line 27a	2	-19,199
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	188,45[illegible]
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	188,456

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	N/A			
b				
c				
d				
e				

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

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
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**

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 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? [X] 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 (col (b) divided by col (c))
2010			
2009			
2008			
2007			
2006			

2 **Total** of line 1, column (d)	2	
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	
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	
8 Enter qualifying distributions from Part XII, line 4	8	

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 instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	15
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	15
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	15
6	Credits/Payments:		
a	2011 estimated tax payments and 2010 overpayment credited to 2011 — 6a		
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	
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	15
10	**Overpayment.** 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: **Credited to 2012 estimated tax** ▶ Refunded ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ ______ **(2)** On foundation managers. ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ None			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	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 ▶ CAROLINA PROFESSIONAL CONSULTANTS Telephone no ▶ 252-522-1220
PO BOX 1004
Located at ▶ KINSTON NC ZIP+4 ▶ 28503

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1. If "Yes," enter the name of the foreign country ▶			

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

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

				Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	N/A	1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ Yes ☒ No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20 , 20 , 20 , 20				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 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 2011.)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?		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 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)? N/A | 5b |

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

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

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X |

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

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

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

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

1 List all officers, directors, trustees, foundation managers and their compensation (see 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
HARRY BALLARD NEW BERN 4506 MONCK COURT NC 28562	PRES/TREAS 0.00	0	0	0
DOLLY BALLARD NEW BERN 4506 MONCK COURT NC 28562	SECRETARY 0.00	0	0	0

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

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

Total number of other employees paid over $50,000 ▶ 0

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		

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 CONTRIBUTIONS TO VARIOUS CHARITIES	7,867
2	
3	
4	

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

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:				
a	Average monthly fair market value of securities			1a	161,45[illegible]
b	Average of monthly cash balances			1b	4,16[illegible]
c	Fair market value of all other assets (see instructions)			1c	0
d	**Total** (add lines 1a, b, and c)			1d	165,615
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0		
2	Acquisition indebtedness applicable to line 1 assets			2	0
3	Subtract line 2 from line 1d			3	165,615
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)			4	2,484
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	163,131
6	**Minimum investment return.** Enter 5% of line 5			6	8,157

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

1	Minimum investment return from Part X, line 6			1	8,157
2a	Tax on investment income for 2011 from Part VI, line 5	2a	15		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	15
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	8,142
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	8,142
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	8,142

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	7,867
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	7,867
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	7,867

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				8,142
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			7,867	
b Total for prior years. 20____ , 20____ , 20____				
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f **Total** of lines 3a through e				
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 7,867				
a Applied to 2010, but not more than line 2a			7,867	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 **Enter the net total of each column as indicated below:**				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				8,142
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9.				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter. (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter. (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

HARRY AND DOLLY BALLARD, 4506 MONCK COURT NEW BERN

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

N/A

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

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see 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

N/A

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

See Statement 8

c Any submission deadlines

NONE

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

NONE

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				
WEST VA UNIVERSITY FD PO BOX 1650 MORGANTOWN WV 26507-1650			EDUCATIONAL	1,000
PHILLIPS EXETER ACADEMY 20 MAIN STREET EXETER NH 03833-2460			EDUCATIONAL	1,000
CRAVEN REGIONAL MED CTR FOUNDATION PO BOX 1576 NEW BERN NC 28563			EDUCATIONAL	367
UNIVERSITY OF NORTH CAROLINA CAMPUS BOX 6100 CHAPEL HILL NC 27599-6100			EDUCATIONAL	1,000
CHRIST EPISCOPAL CHURCH PO BOX 1246 NEW BERN NC 28560			RELIGIOUS	1,500
CONCORD CHRISTIAN CHURCH 418 NEW STREET NEW BERN NC 28560			RELIGIOUS	2,000
USO BOX 96860 WASHINGTON DC 20077-7677			COMMUNITY	500
WOUNDED WARRIOR PROJECT PO BOX 758516 TOPEKA KS 66675-8516			COMMUNITY	500
Total			▶ 3a	7,867
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions)
1 Program service revenue.					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities					6,349
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					-12,121
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b CASH IN LIEU OF FRACTIONAL SH					65
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0		0	-5,710

13 Total. Add line 12, columns (b), (d), and (e) 13 -5,710

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions.)
4	INCREASES FUNDS AVAILABLE FOR CONTRIBUTIONS
8	SALE OF STOCK INCREASES FUNDS AVAILABLE FOR CONTRIBUTIONS

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

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

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No

H H Ballard — 4/16/13 — Pres.

Signature of officer or trustee — Date — Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
Brenda R. Spence, CPA	Brenda R. Spence, CPA	05/17/12	

Firm's name ▶	Carolina Professional Consultants	PTIN	P00963107
Firm's address ▶	2511 N. Queen St. Kinston, NC 28501	Firm's EIN ▶	58-2244533
		Phone no	252-522-1220

Federal Statements

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

Description / Whom Sold	Date Acquired	Date Sold	How Received / Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
UBS SHORT TERM GAINS/LOSSES	Various	Various	Purchase $ 5,389	$ 4,452	$	$	$ 937
UBS LONG TERM GAINS/LOSSES	Various	Various	Purchase 42,166	55,227			-13,061
Total			$ 47,555	$ 59,679	$ 0	$ 0	$ -12,124

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
CASH IN LIEU OF FRACTIONAL SH	$ 65	$	$
Total	$ 65	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAX RETURN PREPARATION	$ 500	$ 500	$	$
Total	$ 500	$ 500	$ 0	$ 0

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
UBS ADVISORY FEES	$ 4,384	$ 4,384	$	$
Total	$ 4,384	$ 4,384	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES WITHHELD	$ 738	$ 738	$	$
Total	$ 738	$ 738	$ 0	$ 0

Form 990-PF, Part I, Line 23 - Amortization

Description	Date Acquired	Cost Basis	Prior Year Amortization	Life	Current Year Amortization	Net Investment Income	Adjusted Net Income	COGS
ORGANIZATIONAL COSTS								
	5/01/97	$ 2,748	$ 2,748	5	$	$	$	
Total		$ 2,748	$ 2,748		$ 0	$ 0	$ 0	

Federal Statements

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
UBS FINANCIAL SERVICE-VARIOUS STOCKS	$ 202,343	$ 186,323		$ 143,953
Total	$ 202,343	$ 186,323		$ 143,953

Statement 7 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
ORGANIZATIONAL COSTS	$	$ 2,748	$ 2,748	$
Total	$ 0	$ 2,748	$ 2,748	$ 0

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

Name of Manager	Amount
HARRY AND DOLLY BALLARD, 4506 MONCK COURT NEW BERN	$
Total	$ 0

Statement 8 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
WRITTEN REQUEST SUBMITTED TO HARRY BALLARD, 4506 MONCK COURT, NEW BERN, NC 28562

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
NONE

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
NONE

Public Notice

The annual report of the Ballard Family Foundation is available, at the address noted below, for inspection during normal business hours, by any citizen who so requests within 180 days after publication of this notice of its availability.

Ballard Family Foundation
c/o Michael E. DeFrank, Esq.
Taft, Stettinius & Hollister
1800 Star Bank Center • 425 Walnut St.
Cincinnati, OH 45202-3951
The principal manager is Harry H. Ballard, General Manager

Affidavit of Publication

SUN-JOURNAL

New Bern, N.C.

Personally appeared before me, a Notary Public of the County of Craven, State of North Carolina.

on this the 26 **day of** April **, 20**12

Karen Sandra

of the Sun Journal, being duly sworn, states that the notice entitled

Public Notice - annual Report of the Ballard Foundation

a true copy of which is attached hereto, appeared in the Sun Journal, a newspaper published in the City of New Bern, County of Craven, State of North Carolina,

once **a week for**

one **weeks, on the following dates:**

Wednesday, April 25, **20**12
20
20
20
20
20
20
20
20

The New Bern Sun Journal

LINDA G LAWSON
NOTARY PUBLIC
CRAVEN COUNTY, N.C.

Subscribed and sworn to this 27th **day of** April **20**12

Linda G. Lawson **Notary Public**

My Commission Expires 04-18-2015

UBS

UBS Financial Services Inc
312 Walnut Street
Suite 3300
Cincinnati OH 45202-4045

CPZ2000387113 1211 CE 2

ACCESS

December 2011

Duplicate statement for the account of:
THE BALLARD FAMILY FOUNDATION
4603 WEST FAIRWAY DRIVE
NEW BERN NC 28562-7535
Account number CE 46840 4B

00010448 03 AB 0.945 03 TR 00157 B201F015 000000 cpl
RICHARD PILSON
PO BOX 1004
2511 N QUEEN STREET
KINSTON NC 28503-1004

Your investment objectives:
You have identified the following investment objectives for this account If you have questions about these objectives, disagree with them, or wish to change them, please contact your Financial Advisor or Branch Manager You can find a full description of the alternative investment objectives in *Important information about your statement* at the end of this document

Your return objective:
Capital appreciation
Your risk profile:
Primary - Moderate
Secondary - Aggressive

Value of your account

	on November 30 ($)	on December 30 ($)
Your assets	153,790 59	146,086 09
Your liabilities	0 00	0 00
Value of your account	**$153,790.59**	**$146,086.09**

Change in the value of your account

	December 2011 ($)	Year to date ($)
Opening account value	**$153,790.59**	**$166,946.40**
Deposits, including investments transferred in	0 00	0 87
Withdrawals and fees, including investments transferred out	-7,924 94	-12,990 04
Dividend and interest income	693 76	6,348 63
Change in market value	-473 32	-14,219 77
Closing account value	**$146,086.09**	**$146,086.09**

Your account instructions
- The account record was signed by your Financial Advisor and approved by a Principal of the Firm
- Your ACCESS account is managed by BRANDES GLOBAL
- Statement copies are sent to 1 interested party

Cash activity summary

See the section *Account activity this month* for details UBS Bank USA deposit account balances are included in the *opening and closing balances* value, are insured by the FDIC within applicable limits, but are not protected by SIPC See *Important information about your statement* at the end of this document for details about those balances

	December 2011 ($)	Year to date ($)
Opening balances	**$2,159.43**	**$5,311.57**
Additions		
Deposits and other funds credited	0 00	0 87
Dividend and interest income	693 76	6,348 63
Proceeds from investment transactions	7,204 74	47,632 68
Total additions	**$7,898.50**	**$53,982.18**
Subtractions		
Professional management fees and related services	0 00	-4,288 28
Other fees	-22 73	-96 06
Other funds debited	-7,902 21	-8,605 70
Funds withdrawn for investments bought	0 00	-44,170 72
Total subtractions	**-$7,924.94**	**-$57,160.76**
Net cash flow	**-$26.44**	**-$3,178.58**
Closing balances	**$2,132.99**	**$2,132.99**

Dividend and interest income earned

For purposes of this statement, taxability of interest and dividend income has been determined from a US tax reporting perspective Based upon the residence of the account holder, account type, or product type, some interest and/or dividend payments may not be subject to United States (US) and/or Puerto Rico (PR) income taxes The client monthly statement is not intended to be used and cannot be relied upon for tax purposes Clients should refer to the applicable tax reporting forms they receive from UBS annually, such as the Forms 1099 and the Forms 480, for tax reporting information It is the practice of UBS to file the applicable tax reporting forms with the US Internal Revenue Service and PR Treasury Department, and in such forms accurately classify dividends and/or interest as tax exempt or taxable income Please consult your individual tax preparer

	December 2011 ($)	Year to date ($)
Taxable dividends	693 76	6,348 28
Total current year	**$693.76**	**$6,348.28**
Prior year adjustment	0 00	0 35
Total dividend & interest	**$693.76**	**$6,348.63**
Return of capital/principal	0 00	65 72

Summary of gains and losses

Values reported below exclude products for which gains and losses are not classified

	Realized gains and losses		Unrealized
	December 2011 ($)	Year to date ($)	gains and losses ($)
Short term	0 00	936 38	-4,290 22
Long term	-1,399 32	-13,060 96	-40,869 46
Total	**-$1,399.32**	**-$12,124.58**	**-$45,159.68**

Withholdings and tax summary

	December 2011 ($)	Year to date ($)
Foreign taxes paid	-35 21	-737 83

Your assets

Some prices, income and current values shown may be approximate As a result, gains and losses may not be accurately reflected See *Important information about your statement* at the end of this document for more information

Cash

Cash and money balances

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 30 ($)	Price per share on Dec 30 ($)	Average rate	Dividend/Interest period	Days in period
RMA MONEY MKT PORTFOLIO	2,159 43	2,132 99	1 00	0 01%	Nov 23 to Dec 22	30

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
AEGON NV ADR N Y SHS								
NETHERLANDS ADR								
Symbol AEG Exchange NYSE	Jun 5, 08	245 000	15 027	3,681 79	4 020	984 90	-2,696 89	LT
	Earnings	9 000	11 598	104 39	4 020	36 18	-68 21	
Security total		254 000	14 906	3,786 18		1,021 08	-2,765 10	
AMERICA MOVIL S A B DE C V								
SER L SPON ADR								
Symbol AMX Exchange NYSE								
EAI $29 Current yield 1 28%	Aug 5, 11	20 000	23 089	461 78	22 600	452 00	-9 78	ST
	Oct 17, 11	80 000	22 997	1,839 81	22 600	1,808 00	-31 81	ST
Security total		100 000	23 016	2,301 59		2,260 00	-41 59	
ASTELLAS PHARMA INC ADR								
Symbol ALPMY Exchange OTC								
EAI $64 Current yield 3 52%	Sep 29, 10	45 000	36 679	1,650 56	40 370	1,816 65	166 09	LT
ASTRAZENECA PLC SPON ADR								
Symbol AZN Exchange NYSE								
EAI $149 Current yield 5 85%	May 24, 07	5 000	53 604	268 02	46 290	231 45	-36 57	LT
	Jul 6, 07	50 000	54 138	2,706 92	46 290	2,314 50	-392 42	LT
Security total		55 000	54 090	2,974 94		2,545 95	-428 99	

continued next page

Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
AT&T INC								
Symbol T Exchange NYSE								
EAI $153 Current yield 5 82%	Jul 22, 05	27 000	19 947	538.59	30 240	816 48	277 89	LT
	Sep 17, 08	60 000	28 869	1,732 16	30 240	1,814 40	82 24	LT
Security total		87 000	26 101	2,270 75		2,630 88	360 13	
BANK OF AMER CORP								
Symbol BAC Exchange NYSE								
EAI $12 Current yield 0 70%	Aug 1, 07	14 000	148 819	2,083 47	5 560	77.84	-2,005 63	LT
	Jul 3, 08	150 000	22 315	3,347 27	5 560	834 00	-2,513 27	LT
	Oct 21, 10	45 000	11 399	512 99	5 560	250 20	-262 79	LT
	Oct 22, 10	15 000	11 490	172 35	5 560	83 40	-88 95	LT
	Oct 14, 11	85 000	6 180	525 30	5 560	472 60	-52.70	ST
Security total		309 000	21 493	6,641 38		1,718 04	-4,923 34	
BB&T CORP								
Symbol BBT Exchange NYSE								
EAI $29 Current yield 2 56%	Aug 11, 10	45 000	24 496	1,102 32	25 170	1,132 65	30 33	LT
BOSTON SCIENTIFIC CORP								
Symbol BSX Exchange NYSE	Sep 22, 06	100 000	14 767	1,476 74	5 340	534 00	-942 74	LT
	Apr 23, 07	150 000	15 918	2,387 72	5 340	801 00	-1,586 72	LT
Security total		250 000	15 458	3,864 46		1,335 00	-2,529 46	
BP PLC SPON ADR								
Symbol BP Exchange NYSE								
EAI $101 Current yield 3 94%	Jul 21, 11	45 000	45 566	2,050 49	42 740	1,923 30	-127 19	ST
	Aug 19, 11	15 000	38 975	584 63	42 740	641 10	56 47	ST
Security total		60 000	43 919	2,635 12		2,564 40	-70 72	
BRASIL TELECOM SA REPSTG PFD								
SHS SPON ADR								
Symbol BTM Exchange NYSE								
EAI $37 Current yield 3 01%	Nov 24, 09	57 000	31 314	1,784 95	17 790	1,014 03	-770 92	LT
	Nov 24, 09	12 000	31 380	376 56	17 790	213 48	-163 08	LT
Security total		69 000	31 326	2,161 51		1,227 51	-934 00	
BRASIL TELECOM S A SPON ADR								
Symbol BTM C Exchange NYSE								
EAI $6 Current yield 2 56%	Nov 24, 09	32 000	16 725	535 20	6 160	197 12	-338 08	LT

continued next page

Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
	Nov 24, 09	6 000	16 251	97 51	6 160	36 96	-60 55	LT
Security total		38 000	16 650	632 71		234 08	-398 63	
CANON INC ADR JAPAN SPON ADR Symbol CAJ Exchange NYSE EAI $72 Current yield 3 27%	Mar 19, 09	50 000	28 296	1,414 81	44 040	2,202 00	787 19	LT
CARREFOUR SA SPON ADR Symbol CRRFY Exchange OTC EAI $111 Current yield 5 11%	Mar 8, 11	395 000	8 985	3,549 39	4 480	1,769 60	-1,779 79	ST
	Oct 13, 11	90 000	4 695	422 55	4 480	403 20	-19 35	ST
Security total		485 000	8 190	3,971 94		2,172 80	-1,799 14	
CENTRAIS ELETRICAS BRAS SA SPON ADR REP 50 COM (ELETROBRAS) Symbol EBR Exchange NYSE	Sep 3, 99	90 000	8 720	784 82	9 710	873 90	89 08	LT
CHESAPEAKE ENERGY CORP OKLA Symbol CHK Exchange NYSE EAI $40 Current yield 1 56%	May 4, 10	50 000	23 759	1,187 99	22 290	1,114 50	-73 49	LT
	May 19, 10	20 000	22 271	445 42	22 290	445 80	0 38	LT
	Jul 30, 10	20 000	20 994	419 88	22 290	445 80	25 92	LT
	Nov 3, 10	25 000	21 968	549 22	22 290	557 25	8 03	LT
Security total		115 000	22 631	2,602 51		2,563 35	-39 16	
CHEVRON CORP Symbol CVX Exchange NYSE EAI $81 Current yield 3 05%	Sep 16, 10	25 000	78 500	1,962 50	106 400	2,660 00	697 50	LT
CITIGROUP INC Symbol C Exchange NYSE EAI $2 Current yield 0 13%	May 11, 09	3 000	36 726	110 18	26 310	78 93	-31 25	LT
	Jun 9, 09	32 000	29 987	959 60	26 310	841 92	-117 68	LT
	Jan 14, 10	25 000	32 900	822 50	26 310	657 75	-164 75	LT
Security total		60 000	31 538	1,892 28		1,578 60	-313 68	
CORNING INC Symbol GLW Exchange NYSE EAI $62 Current yield 2 33%	Jun 6, 11	140 000	18 969	2,655 66	12 980	1,817 20	-838 46	ST

continued next page

Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
	Jun 24, 11	30 000	17 595	527 86	12 980	389 40	-138 46	ST
	Sep 30, 11	35 000	12 471	436 49	12 980	454 30	17 81	ST
Security total		205 000	17 659	3,620 01		2,660 90	-959 11	
DAIICHI SANKYO CO LTD SPON ADR Symbol DSNKY Exchange OTC EAI $51 Current yield 3 26%	Nov 9, 10	80 000	22 096	1,767 74	19 560	1,564 80	-202 94	LT
DEUTSCHE TELEKOM AG DE SPON ADR Symbol DTEGY Exchange OTC EAI $173 Current yield 8 39%	Jan 31, 07	145 000	17 503	2,538 07	11 450	1,660 25	-877 82	LT
	Oct 1, 09	35 000	13 488	472 08	11 450	400 75	-71 33	LT
Security total		180 000	16 723	3,010 15		2,061 00	-949 15	
ENI SPA IT SPON ADR Symbol E Exchange NYSE EAI $195 Current yield 4 97%	Jun 26, 09	20 000	47 489	949 78	41 270	825 40	-124 38	LT
	Jul 10, 09	20 000	44.107	882 14	41 270	825 40	-56 74	LT
	Aug 12, 09	15 000	45 508	682 62	41 270	619 05	-63 57	LT
	Mar 17, 10	15 000	48 029	720 44	41 270	619 05	-101 39	LT
	May 28, 10	5 000	37 988	189 94	41 270	206 35	16 41	LT
	Dec 29, 10	10 000	43 619	436 19	41 270	412 70	-23 49	ST
	Jun 27, 11	10 000	43 860	438 60	41 270	412 70	-25 90	ST
Security total		95 000	45 260	4,299 71		3,920 65	-379 06	
FRANCE TELECOM SA SPON ADR Symbol FTE Exchange NYSE EAI $307 Current yield 10 48%	Jun 14, 04	140 000	24 523	3,433 32	15 660	2,192 40	-1,240 92	LT
	Jun 16, 10	15 000	19 158	287 38	15 660	234 90	-52 48	LT
	Jun 28, 10	30 000	18 101	543 04	15 660	469 80	-73 24	LT
	Earnings	2 000	22 420	44 84	15 660	31 32	-13 52	
Security total		187 000	23 041	4,308 58		2,928 42	-1,380 16	
FUJI FILM HOLDINGS CORP ADR Symbol FUJIY Exchange OTC EAI $24 Current yield 1 29%	Sep 10, 08	80 000	28 896	2,311 71	23 260	1,860 80	-450 91	LT

continued next page

Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
GENL ELECTRIC CO								
Symbol GE Exchange NYSE								
EAI $105 Current yield 3 78%	Mar 4, 10	125 000	16 064	2,008 00	17 910	2,238 75	230 75	LT
	Jul 1, 10	30 000	14 340	430 20	17 910	537 30	107 10	LT
Security total		155 000	15 730	2,438 20		2,776 05	337 85	
GLAXO SMITHKLINE PLC ADR								
Symbol GSK Exchange NYSE								
EAI $121 Current yield 4 82%	Jan 26, 07	25 000	54 479	1,361 99	45 630	1,140 75	-221 24	LT
	Jul 11, 07	30 000	51 847	1,555 41	45 630	1,368 90	-186 51	LT
Security total		55 000	53 044	2,917 40		2,509 65	-407 75	
HEWLETT PACKARD CO								
Symbol HPQ Exchange NYSE								
EAI $46 Current yield 1 88%	Sep 19, 11	35 000	22 966	803 84	25 760	901 60	97 76	ST
	Sep 29, 11	60 000	23 715	1,422 92	25 760	1,545 60	122 68	ST
Security total		95 000	23 440	2,226 76		2,447 20	220 44	
HONDA MOTOR CO ADR JAPAN ADR								
Symbol HMC Exchange NYSE								
EAI $41 Current yield 2 24%	Apr 1, 11	45 000	36 864	1,658 89	30 550	1,374 75	-284 14	ST
	Apr 21, 11	15 000	37 390	560 86	30 550	458 25	-102 61	ST
Security total		60 000	36 996	2,219 75		1,833 00	-386 75	
INTEL CORP								
Symbol INTC Exchange OTC								
EAI $50 Current yield 3 44%	Oct 21, 08	60 000	15 532	931 95	24 250	1,455 00	523 05	LT
INTESA SANPAOLO SPON ADR								
Symbol ISNPY Exchange OTC								
EAI $49 Current yield 4 93%	May 5, 09	100 000	20 021	2,002 11	9 940	994 00	-1,008 11	LT
J SAINSBURY PLC SPON ADR								
Symbol JSAIY Exchange OTC								
EAI $83 Current yield 5 24%	Sep 5, 08	60 000	23 963	1,437 82	18 650	1,119 00	-318 82	LT
	Mar 12, 10	25 000	20 379	509 48	18 650	466 25	-43 23	LT
Security total		85 000	22 909	1,947 30		1,585 25	-362 05	

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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
KEYCORP NEW								
Symbol KEY Exchange NYSE								
EAI $14 Current yield 1 52%	Jun 13, 08	70 000	11 743	822 06	7 690	538 30	-283 76	LT
	Aug 21, 08	50 000	10 760	538 00	7 690	384 50	-153 50	LT
Security total		120 000	11 334	1,360 06		922 80	-437 26	
KONINKLIJKE AHOLD NV NEW 2007 SPON ADR								
Symbol AHONY Exchange OTC								
EAI $58 Current yield 2 57%	Dec 16, 03	168 000	9 167	1,540 22	13 450	2,259 60	719 38	LT
KROGER COMPANY								
Symbol KR Exchange NYSE								
EAI $41 Current yield 1 88%	Jun 15, 10	90 000	19 999	1,799 96	24 220	2,179 80	379 84	LT
L M ERICSSON TELEFON CO SEK 10 NEW 2002 ADR								
Symbol ERIC Exchange OTC								
EAI $46 Current yield 2 52%	Oct 24, 07	20 000	14 813	296 26	10 130	202 60	-93 66	LT
	Jan 3, 08	160 000	11 564	1,850 31	10 130	1,620 80	-229 51	LT
Security total		180 000	11 925	2,146 57		1,823 40	-323 17	
LILLY ELI & CO								
Symbol LLY Exchange NYSE								
EAI $88 Current yield 4 71%	Oct 6, 09	30 000	32 996	989 88	41 560	1,246 80	256 92	LT
	Nov 19, 10	15 000	34 625	519 38	41 560	623 40	104 02	LT
Security total		45 000	33 539	1,509 26		1,870 20	360 94	
LOWES COMPANIES INC								
Symbol LOW Exchange NYSE								
EAI $50 Current yield 2 19%	Aug 3, 10	90 000	20 781	1,870 35	25 380	2,284 20	413 85	LT
MARKS & SPENCER GROUP INC SPON ADR								
Symbol MAKSY Exchange OTC								
EAI $77 Current yield 5 39%	Jul 11, 03	15 000	10 729	160 94	9 520	142 80	-18 14	LT
	Sep 17, 03	135 000	10 554	1,424 81	9 520	1,285 20	-139 61	LT
Security total		150 000	10 572	1,585 75		1,428 00	-157 75	

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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
MARSH & MCLENNAN COS INC								
Symbol MMC Exchange NYSE								
EAI $75 Current yield 2 79%	Nov 24, 09	55 000	22 759	1,251 78	31 620	1,739 10	487 32	LT
	Mar 24, 10	30 000	24 494	734 83	31 620	948 60	213 77	LT
Security total		85 000	23 372	1,986 61		2,687 70	701 09	
MASCO CORP								
Symbol MAS Exchange NYSE								
EAI $41 Current yield 2 90%	Feb 23, 11	135 000	12 731	1,718 79	10 480	1,414 80	-303 99	ST
MERCK & CO INC NEW COM								
Symbol MRK Exchange NYSE								
EAI $109 Current yield 4 45%	Mar 18, 11	65 000	31 811	2,067 74	37 700	2,450 50	382 76	ST
MICROSOFT CORP								
Symbol MSFT Exchange OTC								
EAI $156 Current yield 3 08%	May 1, 06	50 000	24 392	1,219 60	25 960	1,298 00	78 40	LT
	Sep 18, 08	60 000	24 760	1,485 60	25 960	1,557 60	72 00	LT
	Sep 8, 10	20 000	23 995	479 90	25 960	519 20	39 30	LT
	Dec 31, 10	20 000	27 699	553 98	25 960	519 20	-34 78	ST
	Mar 2, 11	20 000	26 230	524 61	25 960	519 20	-5 41	ST
	May 16, 11	25 000	24 877	621 93	25 960	649 00	27 07	ST
Security total		195 000	25 054	4,885 62		5,062 20	176 58	
MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR								
Symbol MTU Exchange NYSE								
EAI $42 Current yield 3 29%	Apr 18, 07	65 000	11 182	726 86	4 190	272 35	-454 51	LT
	Sep 19, 07	240 000	9 182	2,203 85	4 190	1,005 60	-1,198 25	LT
Security total		305 000	9 609	2,930 71		1,277 95	-1,652 76	
MIZUHO FINANCIAL GROUP INC SPON ADR								
Symbol MFG Exchange NYSE								
EAI $92 Current yield 7 80%	May 7, 07	240 000	12 494	2,998 75	2 680	643 20	-2,355 55	LT
	Sep 19, 07	150 000	11 065	1,659 75	2 680	402 00	-1,257 75	LT
	Sep 20, 07	50 000	10 915	545 77	2 680	134 00	-411 77	LT
Security total		440 000	11 828	5,204 27		1,179 20	-4,025 07	

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Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
MS&AD INS GROUP HLDGS ADR								
Symbol MSADY Exchange OTC								
EAI $54 Current yield 2 83%	Nov 30, 06	210 000	20 122	4,225 66	9 090	1,908 90	-2,316 76	LT
NEWS CORP INC DELA CL A								
Symbol NWSA Exchange OTC								
EAI $35 Current yield 1 06%	Jul 29, 11	90 000	16 046	1,444 19	17 840	1,605 60	161 41	ST
	Nov 18, 11	95 000	16 490	1,566 55	17 840	1,694 80	128 25	ST
Security total		185 000	16 274	3,010 74		3,300 40	289 66	
NIPPON TELEG & TEL CORP SPON ADR								
Symbol NTT Exchange NYSE								
EAI $114 Current yield 3 00%	Feb 14, 05	35 000	21 357	747 50	25 330	886 55	139 05	LT
	Jun 28, 07	80 000	22 238	1,779 04	25 330	2,026 40	247 36	LT
	Jan 25, 10	35 000	21 959	768 57	25 330	886 55	117 98	LT
Security total		150 000	21 967	3,295 11		3,799 50	504 39	
PEPSICO INC								
Symbol PEP Exchange NYSE								
EAI $93 Current yield 3 11%	Oct 24, 11	20 000	61 998	1,239 96	66 350	1,327 00	87 04	ST
	Nov 21, 11	25 000	63 459	1,586 49	66 350	1,658 75	72 26	ST
Security total		45 000	62 810	2,826 45		2,985 75	159 30	
PFIZER INC								
Symbol PFE Exchange NYSE								
EAI $108 Current yield 4 06%	Jun 21, 07	25 000	25 939	648 49	21 640	541 00	-107 49	LT
	Oct 16, 09	98 000	17 660	1,730 68	21 640	2,120 72	390 04	LT
Security total		123 000	19 343	2,379 17		2,661 72	282 55	
PNC FINANCIAL SERVICES GROUP								
Symbol PNC Exchange. NYSE								
EAI $25 Current yield 2 41%	Nov 6, 07	7 000	642.002	4,494 02	57 670	403 69	-4,090 33	LT
	May 27, 08	11 000	134 636	1,481 00	57 670	634 37	-846 63	LT
Security total		18 000	331 946	5,975 02		1,038 06	-4,936 96	
PORTUGAL TELECOM SGPS S A 1 ADR = 1 ORD SPON ADR								
Symbol PT Exchange NYSE								
EAI $116 Current yield 15 46%	Feb 17, 04	130 000	11 552	1,501 86	5 770	750 10	-751 76	LT

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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
SAFEWAY INC								
Symbol SWY Exchange NYSE								
EAI $61 Current yield 2 76%	Feb 3, 04	45 000	22 925	1,031 64	21 040	946 80	-84 84	LT
	Mar 15, 05	60 000	18 421	1,105 27	21 040	1,262 40	157 13	LT
Security total		105 000	20 352	2,136 91		2,209 20	72 29	
SANOFI SPON ADR								
Symbol SNY Exchange NYSE								
EAI $93 Current yield 3 64%	Nov 8, 06	30 000	42 465	1,273 97	36 540	1,096 20	-177 77	LT
	Oct 31, 07	40 000	43 813	1,752 55	36 540	1,461 60	-290 95	LT
Security total		70 000	43 236	3,026 52		2,557 80	-468 72	
SONY CORP ADR NEW JAPAN ADR								
Symbol SNE Exchange NYSE								
EAI $23 Current yield 1 59%	Oct 6, 08	15 000	27 396	410 95	18 040	270 60	-140 35	LT
	Aug 27, 09	45 000	26 992	1,214 64	18 040	811 80	-402 84	LT
	Jun 3, 11	20 000	26 476	529 53	18 040	360 80	-168 73	ST
Security total		80 000	26 939	2,155 12		1,443 20	-711 92	
STMICROELECTRONICS N V EUR								
Symbol STM Exchange NYSE								
EAI $68 Current yield 5 73%	Jun 29, 05	120 000	16 224	1,946 93	5 930	711 60	-1,235 33	LT
	Jun 3, 11	80 000	10 990	879 21	5 930	474 40	-404 81	ST
Security total		200 000	14 131	2,826 14		1,186 00	-1,640 14	
SUMITOMO MITSUI FINANCIAL SPON ADR								
Symbol SMFG Exchange NYSE								
EAI $44 Current yield 4 16%	May 22, 07	192 000	18 130	3,481 02	5 510	1,057 92	-2,423 10	LT
SUPERVALU INC								
Symbol SVU Exchange NYSE								
EAI $26 Current yield 4 27%	Jan 4, 08	75 000	34 090	2,556 82	8 120	609 00	-1,947 82	LT
SWISS RE LTD SPON ADR								
Symbol SSREY Exchange OTC	Jun 10, 11	45 000	58 543	2,634 45	50 550	2,274 75	-359 70	ST

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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
TAKEDA PHARMACEUTICAL CO LTD SPON ADR Symbol TKPYY Exchange OTC EAI $71 Current yield 4 60%	Jan 6, 11	70 000	24 091	1,686 38	22 050	1,543 50	-142 88	ST
TE CONNECTIVITY LTD CHF Symbol TEL Exchange NYSE EAI $50 Current yield 2 32%	Jul 22, 11	70 000	35 986	2,519 08	30 810	2,156 70	-362 38	ST
TELE NORTE LESTE PARTICIPACOES S A ADR Symbol TNE Exchange NYSE EAI $19 Current yield 4 99%	Jul 11, 07	40 000	21 490	859 60	9 510	380 40	-479 20	LT
TELECOM ITALIA SPA NEW REPSTG 10 ORD SHS SPON ADR Symbol TI Exchange NYSE EAI $314 Current yield 9 99%	Sep 17, 03	120 000	24 896	2,987 53	10 650	1,278 00	-1,709 53	LT
	Mar 31, 06	150 000	29 223	4,383 48	10 650	1,597 50	-2,785 98	LT
	Apr 12, 10	25 000	14 778	369 47	10 650	266 25	-103 22	LT
Security total		295 000	26 239	7,740 48		3,141 75	-4,598 73	
TELEFONICA S A SPON ADR Symbol TEF Exchange NYSE EAI $113 Current yield 9 96%	Jul 17, 00	51 000	18 659	951 65	17 190	876 69	-74 96	LT
	Mar 24, 10	15 000	23 525	352 88	17 190	257 85	-95 03	LT
Security total		66 000	19 766	1,304 53		1,134.54	-169 99	
TIM PARTICIPACOES SA SPON ADR Symbol TSU Exchange NYSE		5 000	—This information was unavailable—		25 800	129 00		
TOKIO MARINE HOLDINGS INC SPON ADR Symbol TKOMY Exchange· OTC EAI $54 Current yield 2 45%	Jun 25, 97	62 000	25 837	1,601 90	22 000	1,364 00	-237 90	LT
	Feb 26, 02	38 000	13 765	523 10	22 000	836 00	312 90	LT
Security total		100 000	21 250	2,125 00		2,200 00	75 00	
TOTAL S A FRANCE SPON ADR Symbol TOT Exchange NYSE EAI $189 Current yield 5 28%	Apr 8, 10	45 000	58 127	2,615 72	51 110	2,299 95	-315 77	LT

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Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
	Apr 26, 10	15 000	57 026	855 39	51 110	766 65	-88 74	LT
	Dec 29, 10	10 000	53 401	534 01	51 110	511 10	-22 91	ST
Security total		70 000	57 216	4,005 12		3,577 70	-427 42	
TOYOTA MOTOR CORP NEW JAPAN SPON ADR Symbol TM Exchange NYSE EAI $52 Current yield 1 75%	Oct 6, 09	5 000	76 418	382 09	66 130	330 65	-51 44	LT
	Oct 21, 09	30 000	79 253	2,377 61	66 130	1,983 90	-393 71	LT
	Jan 19, 11	5 000	85 150	425 75	66 130	330 65	-95 10	ST
	Apr 14, 11	5 000	78 276	391 38	66 130	330 65	-60 73	ST
Security total		45 000	79 485	3,576 83		2,975 85	-600 98	
UNILEVER NV N Y SHS NEW NETHERLANDS SPON SPON ADR Symbol UN Exchange NYSE EAI $111 Current yield 3 08%	Sep 23, 04	80 000	19 512	1,561 01	34 370	2,749 60	1,188 59	LT
	Apr 28, 11	25 000	33 096	827 40	34 370	859 25	31 85	ST
Security total		105 000	22 747	2,388 41		3,608 85	1,220 44	
VALERO ENERGY CORP NEW Symbol VLO Exchange NYSE EAI $72 Current yield 2 85%	Feb 17, 10	90 000	17 997	1,619 75	21 050	1,894 50	274 75	LT
	Sep 29, 11	30 000	18 593	557 79	21 050	631 50	73 71	ST
Security total		120 000	18 146	2,177 54		2,526 00	348 46	
WELLS FARGO & CO NEW Symbol WFC Exchange NYSE EAI $43 Current yield 1 73%	May 13, 08	27 000	144 852	3,911 03	27 560	744 12	-3,166 91	LT
	Jul 17, 08	33 000	56 395	1,861 05	27 560	909 48	-951 57	LT
	Aug 19, 09	30 000	26 340	790 20	27 560	826 80	36 60	LT
Security total		90 000	72 914	6,562 28		2,480 40	-4,081 88	
WSTN DIGITAL CORP Symbol WDC Exchange NYSE	Aug 17, 10	60 000	24 438	1,466 30	30 950	1,857 00	390 70	LT
	Oct 6, 10	25 000	27 987	699 68	30 950	773 75	74 07	LT
Security total		85 000	25 482	2,165 98		2,630 75	464 77	

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Your assets ▸ **Equities** ▸ **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 30 ($)	Value on Dec 30 ($)	Unrealized gain or loss ($)	Holding period
XEROX CORP								
Symbol XRX Exchange NYSE								
EAI $37 Current yield 2 16%	Jul 26, 05	140 000	13 090	1,832 71	7 960	1,114 40	-718 31	LT
	Jun 3, 11	75 000	10 015	751 19	7 960	597 00	-154 19	ST
Security total		215 000	12 018	2,583 90		1,711 40	-872 50	
Total				**$188,983.78**		**$143,953.10**	**-$45,159.68**	

Total estimated annual income: $5,067

Your total assets

		Value on Dec 30 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**2,132.99**	**1.46%**	**2,132.99**		
Equities	*** Common stock**	**143,953.10**	**98.54%**	**188,983.78**	**5,067.00**	**-45,159.68**
Total		**$146,086.09**	**100.00%**	**$191,116.77**	**$5,067.00**	**-$45,159.68**

* Missing cost basis information

Account activity this month

	Date	Activity	Description	Amount ($)
Dividend and interest income				
Taxable dividends	Dec 1	Dividend	INTEL CORP PAID ON 95	19 95
	Dec 1	Dividend	KROGER COMPANY PAID ON 115	13 23
	Dec 1	Dividend	WELLS FARGO & CO NEW PAID ON 90	10 80
	Dec 2	Foreign Dividend	HONDA MOTOR CO ADR JAPAN ADR PAID ON 60	11 59
	Dec 2	Foreign Dividend	TELEBRAS TELECOMUNICA- BRASILEIRAS SA REP 1 DEP SHR SPON ADR AS OF 11/18/11	0 64
	Dec 6	Dividend	PFIZER INC PAID ON 208	41 60
	Dec 8	Dividend	MICROSOFT CORP PAID ON 195	39 00
	Dec 8	Foreign Dividend	SONY CORP ADR NEW JAPAN ADR PAID ON 80	12 87
	Dec 9	Dividend	LILLY ELI & CO PAID ON 45	22 05

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Account activity this month (continued)

	Date	Activity	Description	Amount ($)
Dividend and interest income (continued)				
Taxable dividends (continued)	Dec 9	Foreign Dividend	STMICROELECTRONICS N V EUR PAID ON 200 AS OF 12/06/11	20 00
	Dec 9	Foreign Dividend	SUMITOMO MITSUI FINANCIAL SPON ADR PAID ON 192	24 59
	Dec 12	Dividend	CHEVRON CORP PAID ON 25	20 25
	Dec 12	Foreign Dividend	TOYOTA MOTOR CORP NEW JAPAN SPON ADR PAID ON 45	23 04
	Dec 12	Foreign Dividend	TAKEDA PHARMACEUTICAL CO LTD SPON ADR PAID ON 70	40 50
	Dec 13	Foreign Dividend	TOKIO MARINE HOLDINGS INC SPON ADR PAID ON 100	32 14
	Dec 14	Foreign Dividend	UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR PAID ON 105	32 19
	Dec 14	Dividend	VALERO ENERGY CORP NEW PAID ON 120	18 00
	Dec 15	Foreign Dividend	DAIICHI SANKYO CO LTD **EXCHANGE EFF 11/2011** ADR PAID ON 80	30 86
	Dec 15	Dividend	KEYCORP NEW PAID ON 120	3 60
	Dec 15	Dividend	SUPERVALU INC PAID ON 75	6 56
	Dec 15	Foreign Dividend	TE CONNECTIVITY LTD CHF PAID ON 70	12 60
	Dec 16	Foreign Dividend	ASTELLAS PHARMA INC ADR PAID ON 45	34 74
	Dec 16	Dividend	CORNING INC PAID ON 205	15 38
	Dec 19	Foreign Dividend	BP PLC SPON ADR PAID ON 60	25 20
	Dec 19	Foreign Dividend	MIZUHO FINANCIAL GROUP INC SPON ADR PAID ON 440	33 94
	Dec 19	Foreign Dividend	MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR PAID ON 305	23 52
	Dec 19	Foreign Dividend	NIPPON TELEG & TEL CORP SPON ADR PAID ON 150	67 39
	Dec 20	Foreign Dividend	FUJI FILM HOLDINGS CORP ADR PAID ON 80	17 96

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Account activity this month (continued)

	Date	Activity	Description	Amount ($)
Dividend and interest income (continued)				
Taxable dividends (continued)	Dec 22	Foreign Dividend	MS&AD INS GROUP HLDGS ADR PAID ON 210	36 47
	Dec 23	Dividend	RMA MONEY MKT PORTFOLIO AS OF 12/22/11	0 01
	Dec 23	Dividend	BANK OF AMER CORP PAID ON 309	3 09
	Total taxable dividends			**$693.76**
	Total dividend and interest income			**$693.76**

	Date	Activity	Description	Amount ($)
Fees	Dec 2	Fee	HONDA MOTOR CO ADR JAPAN ADR	-0 21
	Dec 8	Fee	SONY CORP ADR NEW JAPAN ADR	-0 28
	Dec 9	Fee	SUMITOMO MITSUI FINANCIAL SPON ADR	-0 29
	Dec 12	Fee	TOYOTA MOTOR CORP NEW JAPAN SPON ADR	-0 16
	Dec 12	Fee	TAKEDA PHARMACEUTICAL CO LTD SPON ADR	-1 65
	Dec 13	Fee	CENTRAIS ELETRICAS BRAS SA SPON ADR REP 50 COM (ELETROBRAS) AS OF 12/12/11	-0 90
	Dec 13	Fee	TOKIO MARINE HOLDINGS INC SPON ADR	-2 35
	Dec 15	Fee	DAIICHI SANKYO CO LTD **EXCHANGE EFF 11/2011** ADR	-3 36
	Dec 16	Fee	ASTELLAS PHARMA INC ADR	-1 06
	Dec 19	Fee	MIZUHO FINANCIAL GROUP INC SPON ADR	-0 44
	Dec 19	Fee	MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR	-0 31
	Dec 19	Fee	NIPPON TELEG & TEL CORP SPON ADR	-0 53
	Dec 20	Fee	FUJI FILM HOLDINGS CORP ADR	-3 48
	Dec 22	Fee	MS&AD INS GROUP HLDGS ADR	-7 71
	Total fees			**-$22.73**

	Date	Activity	Description	Amount ($)
Other funds debited	Dec 2	Foreign Tax Withheld	HONDA MOTOR CO ADR JAPAN ADR	-0 81
	Dec 2	Foreign Tax Withheld	TELEBRAS TELECOMUNICA- BRASILEIRAS SA REP 1 DEP SHR SPON ADR AS OF 11/18/11	-0 10
	Dec 8	Foreign Tax Withheld	SONY CORP ADR NEW JAPAN ADR	-0 90
	Dec 9	Foreign Tax Withheld	STMICROELECTRONICS N V EUR AS OF 12/06/11	-3 00

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Account activity this month (continued)

	Date	Activity	Description	Amount ($)
Other funds debited (continued)	Dec 9	Foreign Tax Withheld	SUMITOMO MITSUI FINANCIAL SPON ADR	-1 72
	Dec 12	Foreign Tax Withheld	TOYOTA MOTOR CORP NEW JAPAN SPON ADR	-1 61
	Dec 12	Foreign Tax Withheld	TAKEDA PHARMACEUTICAL CO LTD SPON ADR	-2 84
	Dec 13	Foreign Tax Withheld	TOKIO MARINE HOLDINGS INC SPON ADR	-2 25
	Dec 14	Foreign Tax Withheld	UNILEVER NV N Y SHS NEW NETHERLANDS SPON ADR	-4 83
	Dec 15	Foreign Tax Withheld	DAIICHI SANKYO CO LTD **EXCHANGE EFF 11/2011** ADR	-2 16
	Dec 16	Foreign Tax Withheld	ASTELLAS PHARMA INC ADR	-2 43
	Dec 19	Foreign Tax Withheld	MIZUHO FINANCIAL GROUP INC SPON ADR	-2 38
	Dec 19	Foreign Tax Withheld	MITSUBISHI UFJ FINANCIAL GROUP INC SPON ADR	-1 65
	Dec 19	Foreign Tax Withheld	NIPPON TELEG & TEL CORP SPON ADR	-4 72
	Dec 20	Foreign Tax Withheld	FUJI FILM HOLDINGS CORP ADR	-1 26
	Dec 22	Withdrawal	CHECK # 0007352595 TO CRAVEN REGIONAL MEDICAL CENTER FOUNDATION MEMO HARRY BALLARD DAYARE FUND	-367 00
	Dec 22	Withdrawal	CHECK # 0007352472 TO USO NEW BERN NC AIRPORT FACILTIY MEMO THE BALLARD FAMILY FOUNDATION	-500 00
	Dec 22	Withdrawal	CHECK # 0007352117 TO WOUNDED WARRIOR PROJECT MEMO THE BALLARD FAMILY FOUNDATION	-500 00
	Dec 22	Withdrawal	CHECK # 0007352576 TO UNIVERSITY OF NORTH CAROLIN OFFICE OF UNIVERSITY DEV MEMO THE BALLARD FAMILY FOUNDATION	-1,000 00
	Dec 22	Withdrawal	CHECK # 0007351729 TO WEST VIRGINIA UNIVERSITY FOUNDATION MEMO THE BALLARD FAMILY FOUNDATION	-1,000 00
	Dec 22	Withdrawal	CHECK # 0007352977 TO PHILLIPS EXETER ACADEMY OFFICE OF ALUMNI AFFAIRS MEMO THE BALLARD FAMILY FOUNDATION	-1,000 00
	Dec 22	Withdrawal	CHECK # 0007352594 TO CHRIST EPISCOPAL CHURCH MEMO THE BALLARD FAMILY FOUNDATION	-1,500 00

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Account activity this month (continued)

	Date	Activity	Description	Amount ($)
Other funds debited (continued)	Dec 22	Withdrawal	CHECK # 0000264160 TO CONCORD CHRISTIAN CHURCH MEMO THE BALLARD FAMILY FOUNDATION	-2,000 00
	Dec 22	Foreign Tax Withheld	MS&AD INS GROUP HLDGS ADR	-2 55
	Total other funds debited			**-$7,902.21**

Investment transactions

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document

Date	Activity	Description	Quantity	Value ($)	Price ($)	Proceeds from investment transactions ($)	Funds withdrawn for investments bought ($)	Accrued interest ($)
Dec 8	Sold	DEUTSCHE TELEKOM AG DE SPON ADR UNSOLICITED	-25 000		12 422000	310 54		
Dec 15	Sold	ASTRAZENECA PLC SPON ADR UNSOLICITED	-10 000		45 713400	457 12		
Dec 15	Sold	DEUTSCHE TELEKOM AG DE SPON ADR UNSOLICITED	-70 000		11.95	836 48		
Dec 15	Sold	GLAXO SMITHKLINE PLC ADR UNSOLICITED	-15 000		44 793400	671 88		
Dec 15	Sold	KONINKLIJKE AHOLD NV NEW 2007 SPON ADR UNSOLICITED	-55 000		12 92	710 58		
Dec 15	Sold	KROGER COMPANY UNSOLICITED	-25 000		23 80	594 98		
Dec 15	Sold	LOWES COMPANIES INC UNSOLICITED	-20 000		24 54	490 79		
Dec 15	Sold	PFIZER INC UNSOLICITED	-85 000		20 38	1,732 26		
Dec 15	Sold	SANOFI SPON ADR UNSOLICITED	-40 000		35 003400	1,400 11		
Total						**$7,204.74**		

	Date	Activity	Description	Amount ($)
Money balance activities	**Nov 30**	**Balance forward**		**$2,159.43**
	Dec 2	Bought	RMA MONEY MKT. PORTFOLIO	43 98
	Dec 5	Bought	RMA MONEY MKT PORTFOLIO	11 11
	Dec 7	Bought	RMA MONEY MKT PORTFOLIO	41 60
	Dec 9	Bought	RMA MONEY MKT PORTFOLIO	361 23
	Dec 12	Bought	RMA MONEY MKT PORTFOLIO	61 63
	Dec 13	Bought	RMA MONEY MKT PORTFOLIO	77 53
	Dec 14	Bought	RMA MONEY MKT. PORTFOLIO	26 64
	Dec 15	Bought	RMA MONEY MKT PORTFOLIO	45 36

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Account activity this month (continued)

	Date	Activity	Description	Amount ($)
Money balance activities (continued)	Dec 16	Bought	RMA MONEY MKT PORTFOLIO	6,942 30
	Dec 19	Bought	RMA MONEY MKT PORTFOLIO	46 63
	Dec 20	Bought	RMA MONEY MKT PORTFOLIO	140 02
	Dec 21	Bought	RMA MONEY MKT PORTFOLIO	13 22
	Dec 23	Sold	RMA MONEY MKT PORTFOLIO AS OF 12/22/11	-7,840 79
	Dec 23	Bought	RMA MONEY MKT PORTFOLIO AS OF 12/22/11	0 01
	Dec 27	Bought	RMA MONEY MKT PORTFOLIO	3 09
	Dec 30	**Closing RMA Money Mkt. Portfolio**		**$2,132.99**

Realized gains and losses

The estimated realized gains and losses shown below are not for tax purposes Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss Please check with your tax advisor To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order See *Important information about your statement* at the end of this document for more information We may not adjust gains and losses for all capital changes We automatically adjust cost basis for tax-exempt and AMT coupon municipal securities for estimated amortization of bond premiums and for accreted OID for securities issued at a discount If you requested that UBS adjust cost basis for the bond premium amortization on taxable debt securities then cost basis reflected for these securities has been adjusted Estimates in the *Unclassified* section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
ASTRAZENECA PLC SPON ADR	FIFO	10 000	May 24, 07	Dec 12, 11	457 12	536 03		-78 91	
DEUTSCHE TELEKOM AG DE SPON ADR	FIFO	25 000	Oct 30, 01	Dec 05, 11	310 54	396 92		-86 38	
	FIFO	5 000	Oct 30, 01	Dec 12, 11	59 75	79 38		-19 63	
	FIFO	65 000	Jan 31, 07	Dec 12, 11	776 73	1,137 75		-361 02	
GLAXO SMITHKLINE PLC ADR	FIFO	15 000	Jan 26, 07	Dec 12, 11	671 88	817 20		-145 32	
KONINKLIJKE AHOLD NV NEW 2007 SPON ADR	FIFO	55 000	Nov 18, 02	Dec 12, 11	710 58	824 92		-114 34	
KROGER COMPANY	FIFO	25 000	Jun 15, 10	Dec 12, 11	594 98	499 99			94 99
LOWES COMPANIES INC	FIFO	20 000	Aug 03, 10	Dec 12, 11	490 79	415 63			75 16
PFIZER INC	FIFO	85 000	Jun 21, 07	Dec 12, 11	1,732 26	2,204 86		-472 60	

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Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
SANOFI SPON ADR	FIFO	20 000	Oct 07, 05	Dec 12, 11	700 06	842 07		-142 01	
	FIFO	20 000	Nov 08, 06	Dec 12, 11	700 05	849 31		-149 26	
Total					**$7,204.74**	**$8,604.06**		**-$1,569.47**	**$170.15**
Net long-term capital gains or losses								**-$1,399.32**	
Net capital gains/losses:								**-$1,399.32**	