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 , 2011, and ending ,

Name of foundation: MARY E. CARNRICK FOUNDATION

A Employer identification number: 56-2114068

Number and street (or P O box number if mail is not delivered to street address): 219 Greenwich Road — Room/suite:

B Telephone number (see the instructions): (704) 365-0390

City or town: CHARLOTTE — State: NC — ZIP code: 28211

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, column (c), line 16)* ► $ 6,152,707.

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 (att sch)				
	2 Ck ► [X] if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	368,451.	368,451.	368,451.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit/(loss) (att sch)				
	11 Other income (attach schedule)	125.	125.	125.	
	12 **Total.** Add lines 1 through 11	368,576.	368,576.	368,576.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) L-16a Stmt	0.			
	b Accounting fees (attach sch) L-16b Stmt	2,771.	2,771.	2,771.	
	c Other prof fees (attach sch)	2,000.	2,000.	2,000.	
	17 Interest				
	18 Taxes (attach schedule)(see instrs) See Line 18 Stmt	9,794.	9,794.	9,794.	
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) BANK FEES	76.	76.	76.	
	24 **Total operating and administrative expenses.** Add lines 13 through 23	14,641.	14,641.	14,641.	
	25 Contributions, gifts, grants paid	1,045,000.			1,045,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,059,641.	14,641.	14,641.	1,045,000.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-691,065.			
	b **Net investment income** (if negative, enter -0-)		353,935.		
	c **Adjusted net income** (if negative, enter -0-)			353,935.	

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Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
ASSETS 1	Cash – non-interest-bearing	94,201.	269,860.	269,860.
2	Savings and temporary cash investments	0.		
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 (attach sch) ►			
	Less: allowance for doubtful accounts ►			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments – U S and state government obligations (attach schedule) L-10a Stmt	776,462.	139,861.	163,749.
b	Investments – corporate stock (attach schedule) L-10b Stmt	1,111,899.	1,673,207.	1,684,905.
c	Investments – corporate bonds (attach schedule) L-10c Stmt	4,304,568.	3,434,636.	3,292,303.
11	Investments – land, buildings, and equipment: basis ►			
	Less accumulated depreciation (attach schedule) ►			
12	Investments – mortgage loans L-12 Stmt	57,600.	38,387.	37,410.
13	Investments – other (attach schedule) L-13 Stmt	380,756.	687,968.	704,480.
14	Land, buildings, and equipment: basis ►			
	Less accumulated depreciation (attach schedule) ►			
15	Other assets (describe ►)			
16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	6,725,486.	6,243,919.	6,152,707.
LIABILITIES 17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, & other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ► L-22 Stmt)	0.	193,293.	
23	**Total liabilities** (add lines 17 through 22)	0.	193,293.	
NET ASSETS OR FUND BALANCES	**Foundations that follow SFAS 117, check here ► ☐ and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► ☒ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, building, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	6,725,486.	6,050,626.	
30	**Total net assets or fund balances** (see instructions)	6,725,486.	6,050,626.	
31	**Total liabilities and net assets/fund balances** (see instructions)	6,725,486.	6,243,919.	

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	6,725,486.
2	Enter amount from Part I, line 27a	2	-691,065.
3	Other increases not included in line 2 (itemize) ► See Other Increases Stmt	3	20,281.
4	Add lines 1, 2, and 3	4	6,054,702.
5	Decreases not included in line 2 (itemize) ► CAPITAL LOSS ON INVESTMENTS	5	4,076.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	6,050,626.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	STOCKS AND BONDS SCHEDULE ATTACHED	P	01/01/01	12/31/11
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	3,339,566.	0.	3,343,642.	-4,076.
b				
c				
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				-4,076.
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** -4,076.

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? ☐ Yes ☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2010	840,000.	7,071,381.	0.118789
2009	758,445.	4,074,181.	0.186159
2008	400,050.	4,110,463.	0.097325
2007	364,086.	1,844,654.	0.197374
2006	266,000.	1,911,873.	0.139131

2	**Total** of line 1, column (d)	2	0.738778
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	0.147756
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	6,704,143.
5	Multiply line 4 by line 3	5	990,577.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	3,539.
7	Add lines 5 and 6	7	994,116.
8	Enter qualifying distributions from Part XII, line 4	8	1,045,000.

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)

1 a 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 instrs)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b			1	3,539.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0.
3 Add lines 1 and 2			3	3,539.
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	3,539.
6 Credits/Payments:				
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	7,200.		
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	7,200.
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	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	3,661.
11 Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶	3,661.	**Refunded** ▶	11	

Part VII-A Statements Regarding Activities

		Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
*If the answer is 'Yes' to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ▶ $ ______ **(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?	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, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NC - North Carolina			
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 ► A. Stuart McKaig, III Telephone no ► (704) 365-0390

Located at ► 219 Greenwich Road, Charlotte, NC ZIP + 4 ► 28211

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
1 a	During the year did the foundation (either directly or indirectly):				
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
(6)	Agree to pay money or property to a government official? (**Exception.** Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is 'Yes' to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		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?		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 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)		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)*		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)? **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** X (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**

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
A. Stuart McKaig, III 219 Greenwich Road Charlotte NC 28211	Director 0.25	0.	0.	0.
Barrie L. Wiggins 6417 Seton House Lane Charlotte NC 28277	Director 0.15	0.	0.	0.
John Crawford 6049 Sierra Drive Charlotte NC 28216	Director 0.25	2,000.	0.	0.
William L. Maxwell 736 Hempstead Place Charlotte NC 28207	Director 0.15	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				
0				
0				
0				
0				

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 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 ►		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	0.
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	0.
2 N/A	0.
All other program-related investments See instructions. 3 NONE	0.
Total. Add lines 1 through 3 ►	None

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	6,553,963.
b	Average of monthly cash balances	1b	252,274.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	6,806,237.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	6,806,237.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	102,094.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	6,704,143.
6	**Minimum investment return.** Enter 5% of line 5	6	335,207.

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	335,207.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	3,539.		
b	Income tax for 2011 (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	3,539.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	331,668.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	331,668.
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	331,668.

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	1,045,000.
b	Program-related investments – total from Part IX-B	1b	0.
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	1,045,000.
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	3,539.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,041,461.

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					331,668.
2 Undistributed income, if any, as of the end of 2011					
a Enter amount for 2010 only				0.	
b Total for prior years 20___, 20___, 20___					
3 Excess distributions carryover, if any, to 2011					
a From 2006	0.				
b From 2007	267,612.				
c From 2008	405,400.				
d From 2009	359,330.				
e From 2010	840,000.				
f Total of lines 3a through e		1,872,342.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► $ 1,045,000.					
a Applied to 2010, but not more than line 2a					
b Applied to undistributed income of prior years (Election required – see instructions)			0.		
c Treated as distributions out of corpus (Election required – see instructions)		0.			
d Applied to 2011 distributable amount					
e Remaining amount distributed out of corpus		1,045,000.			
5 Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		331,668.			331,668.
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		2,585,674.			
b Prior years' undistributed income Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b Taxable amount – see instructions			0.		
e Undistributed income for 2010. Subtract line 4a from line 2a Taxable amount – see instructions				0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012					0.
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)		0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a		2,585,674.			
10 Analysis of line 9:					
a Excess from 2007	0.				
b Excess from 2008	341,344.				
c Excess from 2009	359,330.				
d Excess from 2010	840,000.				
e Excess from 2011	1,045,000.				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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 organization had $5,000 or more in assets at any time during the year – see instructions.)

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

See Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

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*				
AMERICAN HEART ASSN 222 S. Church Street Charlotte NC 28202	NONE	PAID 301(c)(3)	UNRESTRICTED	10,000.
ARTHRITIS ASSN CAROLINAS CHAPTER 4530 Park Road Charlotte NC 28209	NONE	PAID 301(c)(3)	UNRESTRICTED	10,000.
KIDNEY FOUNDATION OF CHARLOTTE, NC 5950 Fairview Road Charlotte NC 28210	NONE	PAID 301(c)(3)	UNRESTRICTED	10,000.
SHEPHERD'S CENTER OF CHARLOTTE P. O. Box 6052 Charlotte NC 28207	NONE	PAID 301(c)(3)	UNRESTRICTED	20,000.
FRIENDSHIP TRAYS 2401-A Distribution Street Charlotte NC 28203	NONE	PAID 301(c)(3)	UNRESTRICTED	50,000.
ALDERSGATE UNITED METH. RETIREMENT COMM, INC. 3800 Shamrock Drive Charlotte NC 28215	NONE	PAID 301(c)(3)	UNRESTRICTED	10,000.
AMERICAN CANCER SOCIETY 6000 Fairview Road Charlotte NC 28210	NONE	PAID 301(c)(3)	UNRESTRICTED	10,000.
BETHLEHEM CENTER (FREEDOM SCHOOL) 2705 Baltimore Avenue Charlotte NC 28203	NONE	PAID 301(c)(3)	UNRESTRICTED	50,000.
BETHLEHEM CENTER OF CHARLOTTE, NC 2705 Baltimore Avenue Charlotte NC 28203	NONE	PAID 301(c)(3)	UNRESTRICTED	50,000.
See Line 3a statement				825,000.
Total			► 3a	1,045,000.
b *Approved for future payment*				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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			14		
4 Dividends and interest from securities			14	368,451.	
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			18		
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				368,451.	
13 **Total.** Add line 12, columns (b), (d), and (e)				13	368,451.

(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)

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

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

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

[signature] Signature of officer or trustee | 07/12/12 Date | DIRECTOR Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Barrie L. Wiggins	[signature]	07/10/12		P00458702
Firm's name ► BARRIE LITTLE WIGGINS P.A.			Firm's EIN ► 56-1914838	
Firm's address ► 6417 SETON HOUSE LN CHARLOTTE NC 28277-4522			Phone no (704) 844-8221	

Miscellaneous Statement

ATTACHMENT PG 4 ITEM 8B		
NOT REQUIRED UNDER NC LAW TO FILE		
Total		

Form 990-PF, Page 1, Part I, Line 18
Line 18 Stmt

Taxes	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
FEDERAL ESTIMATES	7,200.	7,200.	7,200.	
2010 BALANCE IRS	2,594.	2,594.	2,594.	
Total	9,794.	9,794.	9,794.	

Form 990-PF, Page 2, Part III, Line 3
Other Increases Stmt

PROCEEDS FROM SALE OF CALLS	19,705.
MISC	576.
Total	20,281.

Form 990-PF, Page 10, Part XV, Line 2
Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs

Name A. Stuart McKaig, III
Address 219 Greenwich Road
City, St, Zip, Phone Charlotte, NC 28211 NC 28211 (704) 365-0390

The form in which applications should be submitted and information and materials they should include:
Requests for donations should be submitted to the Board of Directors and

Any submission deadlines:
NONE

Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
Donee must be a IRC Section 501(c)(3) organization.

Name A. STUART MCKAIG, III
Address 219 GREENWICH ROAD
City, St, Zip, Phone CHARLOTTE NC 28210 (704) 365-0390

The form in which applications should be submitted and information and materials they should include:
include proof of exempt status under IRC Section 501(c)(3).

Any submission deadlines:

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

Form 990-PF, Page 11, Part XV, line 3a
Line 3a statement

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	Person or Business Checkbox Amount
a Paid during the year				
SPEEDWAY CHILDREN'S CHARITIES P. O. Box 18747 Charlotte NC 28218	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.
SUSAN B. KOMEN BREAST CANCER FOUNDATION P. O. Box 601597 Charlotte NC 28260	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 15,000.
SPECIAL OLYMPICS OF NORTH CAROLINA 2400 Park Road, Suite B Charlotte NC 28203	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 20,000.
CARS INSPIRING YOUTH 1800 Camden Road Charlotte NC 28203	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.
ALZHEIMERS ASSN-SOUTHERN PIEDMONT CHTR. 3800 Shamrock Drive Charlotte NC 28215	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.
SALVATION ARMY BOYS & GIRLS CLUB AT CENT P. O. Box 31128 Charlotte NC 28231	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 30,000.
CAMP BOOMERANG OF SISKEY FAMILY YMCA 3127 Weddington Road Matthews NC 28105	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.
CHARLOTTE RESCUE MISSION P. O. Box 33000 Charlotte NC 28233	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 40,000.
UNITED FAMILY SERVICES 601 E. FIFTH STREET Charlotte NC 28207	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.
IN REACH 4425 Randolph Rd., Suite 400 Charlotte NC 28211	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 40,000.
SALVATION ARMY BOYS & GIRLS CLUB P. O. Box 31128 Charlotte NC 28231	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 50,000.
PROJECT LIFE 3222 Glen Terrace Charlotte NC 28211	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 15,000.
JACOB'S LADDER JOB CENTER P. O. Box 9215 Charlotte NC 28299	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.
JIMMY V FOUNDATION 1134 Nichols Court Millersvile MD 21108	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.
URBAN MINISTRY-ROOM IN THE INN 945 N. College Street Charlotte NC 28206	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or Business X 10,000.

Form 990-PF, Page 11, Part XV, line 3a Continued

Line 3a statement

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	Person or Business Checkbox Amount
a Paid during the year				
THOMPSON CHILD & FAMILY FOCUS 6800 St. Peter's Lane Matthews NC 28105	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or [ ] Business [X] 15,000.
ALEXANDER YOUTH NETWORK 6220 Thermal Road Charlotte NC 28211	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or [ ] Business [X] 15,000.
AMERICAN DIABETES ASSN 222 S. Church Street, Suite 336M Charlotte NC 28202	NONE	PAID 301(c)(3)	UNRESTRICTED	Person or [ ] Business [X] 10,000.
CHARLOTTE HOUSING AUTHORITY SCHOLARSHIP 306 Benjamin Street CHARLOTTE NC 28203	NONE	PAID PAID	UNRESTRICTED	Person or [ ] Business [X] 25,000.
COMMUNITIES IN SCHOOLS 601 E. 5th Street, Suite 300 CHARLOTTE NC 28202		PAID	UNRESTRICTED	Person or [ ] Business [X] 20,000.
NEVINS CENTER 3528 Nevins Road Charlotte NC 28269		PAID	UNRESTRICTED	Person or [ ] Business [X] 5,000.
HOSPICE & PALLITIVE CARE 1420 E. 7th Street CHARLOTTE NC 28204		PAID	UNRESTRICTED	Person or [ ] Business [X] 10,000.
LEUKEMIA & LYMPHOMA SOCIETY 5950 Fairview Rd #250 CHARLOTTE NC 28210		PAID	UNRESTRICTED	Person or [ ] Business [X] 10,000.
LIFESPAN 200 Clanton Road CHARLOTTE NC 28217		PAID	UNRESTRICTED	Person or [ ] Business [X] 10,000.
LIZ MURRAY SCHOLARSHIP FUND 132 N. McDowell Street CHARLOTTE NC 28202		PAID	UNRESTRICTED	Person or [ ] Business [X] 10,000.
UMAR 9900 Kincey Ave Suite 190 Huntersville NC 28078		PAID	UNRESTRICTED	Person or [ ] Business [X] 10,000.
CRISIS ASSISTANCE MINISTRY 500 Spratt Street Charlotte NC 28208		PAID	UNRESTRICTED	Person or [ ] Business [X] 100,000.
LOAVES & FISHES P. O. Box 11234 Charlotte NC 28220		PAID	UNRESTRICTED	Person or [ ] Business [X] 60,000.
JACKSON PARK MINISTRIES 5415 Airport Drive Charlotte NC 28208		PAID	UNRESTRICTED	Person or [ ] Business [X] 5,000.
REGENT SCHOOLS OF THE CAROLINAS P. O. Box 30244 Charlotte NC 28230		PAID	UNRESTRICTED	Person or [ ] Business [X] 50,000.

Form 990-PF, Page 11, Part XV, line 3a Continued
Line 3a statement

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	Person or Business Checkbox Amount
a Paid during the year				
CHARLOTTE FAMILY HOUSING 300 Hawthorne Lane Charlotte NC 28204		PAID	UNRESTRICTED	Person or [ ] Business [X] 20,000.
SECOND HARVEST METROLINA FOOD BANK 500 Spratt Street Charlotte NC 28208		PAID	UNRESTRICTED	Person or [ ] Business [X] 60,000.
PHILIPS ACADEMY 3115 PROVIDENCE ROAD CHARLOTTE NC 28211		PAID	UNRESTRICTED	Person or [ ] Business [X] 15,000.
BIG BROTHERS, BIG SISTERS 3801 E. Independence Blvd. Charlotte NC 28204		PAID	UNRESTRICTED	Person or [ ] Business [X] 5,000.
SALVATION ARMY OF GREATER CHARLOTTE 4335 STUART ANDREW BLVD SUITE 120 CHARLOTTE NC 28217		PAID	UNRESTRICTED	Person or [ ] Business [X] 20,000.
SHELTER HEALTH SERVICES, INC. 534 SPRATT STREET CHARLOTTE NC 28206		PAID	UNRESTRICTED	Person or [ ] Business [X] 5,000.
MEN'S SHELTER OF CHARLOTTE P. O. BOX 36471 CHARLOTTE NC 28236		PAID	UNRESTRICTED	Person or [ ] Business [X] 30,000.
ANSWER 6420 Rea Road Suite 355 Charlotte NC 28277		PAID	UNRESTRICTED	Person or [ ] Business [X] 10,000.
MOTHERS OF MURDERED OFFSPRING 2425 KINGS PARK DR CHARLOTTE NC 28208		PAID	UNRESTRICTED	Person or [ ] Business [X] 10,000.
INNER VISION 415 E. 4th Street Charlotte NC 28202		PAID	UNRESTRICTED	Person or [ ] Business [X] 5,000.
Total				825,000.

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

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
McKaig Law firm	Legal Services	0.			
Total		0.			

Form 990-PF, Page 1, Part I
Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Barrie Little Wiggins	Tax Preparation and Pl	2,771.			
Total		2,771.			

Form 990-PF, Page 2, Part II, Line 10a
L-10a Stmt

Line 10a - Investments - US and State Government Obligations:	End of Year State and Local Obligations Book Value	State and Local Obligations FMV	End of Year US Government Obligations Book Value	US Government Obligations FMV
FHLMC 30 YR GOLD A27027			15,631.	17,342.
FED NATL MTG ASSN POOL 600664			3,853.	4,016.
FHLMC 30 YR GOLD C61761			4,318.	11,801.
GOVT NATL MTG ASSN POOL 003331			9,951.	17,453.
GOVT NATL MTG ASSOC 2005 54 JB			20,564.	21,610.
GOVT NATL MTG ASSN POOL 003427			6,903.	8,829.
FED NATL MTG ASSN POOOL 754903			6,844.	7,079.
FED NATL MTG ASSN POOL (ARM) 810896			21,030.	22,285.
FHLMC 30 YR GOLD A34516			12,462.	13,799.
FED NATL MTG ASSN POOL 826821			38,305.	39,535.
FHR 2711 GC				
Total			139,861.	163,749.

Form 990-PF, Page 2, Part II, Line 10b
L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year Book Value	Fair Market Value
AMERICAN EXPRESS CO 2000 SHS	77,016.	94,340.
DEERE & CO 1000 SHS	88,750.	77,350.
DOW CHEMICAL CO. 3000 SHS	117,697.	86,280.
DUKE ENERGY CORP HLDG CO 7000 SHS	109,055.	154,000.
GENERAL ELECTRIC CO 2500 SHS	31,987.	44,775.
HONEYWELL INTERNATIONAL INC 2000 SHS	113,230.	108,700.
MERCK & CO. INC. NEW 3000 SHS	137,616.	113,100.
MFS INTERMEDIATE INCOME TR SBI 21,000	142,882.	132,300.
PHILIP MORRIS INTL INC 2000 SHS	101,045.	156,960.
REGENCY ENERGY PTNRS LP UTS 2000	51,454.	49,720.
AT&T 2500 SHS	73,231.	75,600.
BOEING 1000 SHS	72,304.	73,350.
EXXON MOBIL 1000 SHS	81,702.	84,760.
INTEL CORP 4000 SHS	101,890.	97,000.
ISHARE SILVER TRUST 2000 UNITS	79,404.	53,880.
ISHARE S&P PREF STK INDX 2500 SHS	97,442.	89,050.
MICROSOFT CORP 2000 SHS	52,016.	51,920.
PFIZER INC 3000 SHS	66,088.	64,920.

Form 990-PF, Page 2, Part II, Line 10b Continued
L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year Book Value	End of Year Fair Market Value
SPDR BARCLAYS CAPITAL HIGH YLD 2000 SHS	78,398.	76,900.
Total	1,673,207.	1,684,905.

Form 990-PF, Page 2, Part II, Line 10c
L- 10c Stmt

Line 10c - Investments - Corporate Bonds:	End of Year Book Value	End of Year Fair Market Value
INTL LEASE FINANCE CORP	100,028.	100,000.
FEDERATED RETAIL HLDG	99,746.	100,686.
BELLSOUTH CORP	50,154.	51,674.
INTL BANK FOR RECONSTRUCTION	97,388.	81,300.
AT&T	50,285.	53,213.
NEXTEL COMM INC SR NT	100,769.	99,500.
ALLY FINANCIAL INC.	201,621.	193,000.
MGM MIRAGE	151,201.	145,500.
DONNELLEY R R & SONS	51,087.	48,875.
SOUTHTRUST CORP	105,191.	106,582.
CITIGROUP INC.	103,835.	102,805.
MERRILL LYNCH & CO	102,590.	96,334.
NATIONSBANK CORP SUB NOTE 7.75%	165,208.	151,912.
MORGAN STANLEY	156,531.	146,569.
DONNELLEY R.R. & SONS. 6.125%	101,465.	93,000.
SUNOCO INC	103,214.	100,482.
US STEEL	44,219.	42,975.
SUNTRUST BANK	99,561.	104,782.
SMITHFIELD FOODS INC.	108,976.	109,500.
COMMERCIAL METALS CO.	102,897.	93,250.
US STEEL	105,840.	99,000.
TRANSOCEAN SEDCO FOREX	89,230.	86,095.
FIFTH THIRD BANCORP	100,736.	100,256.
SUNTRUST BANK	51,595.	51,086.
DONNELLEY R.R. & SONS 7.625%	105,241.	93,500.
MS STEP UP CALLABLE TRUST UNIT S/ALCOA	100,000.	92,442.
CITIZENS COMMUNICATIONS	100,972.	85,000.
ALCOA INC.	104,520.	98,875.
METLIFE INC. 6.4% FIXED TO 12/2036	99,256.	94,625.
ALLSTATE CORP	97,756.	90,875.
LINCOLN NATL CORP IND. 7.0% FIX ED	189,512.	180,500.
PUGET SOUND ENERGY 6.974%	94,506.	99,610.
GENL ELEC CAPT CORP 6.375%	99,506.	98,500.
Total	3,434,636.	3,292,303.

Form 990-PF, Page 2, Part II, Line 12
L-12 Stmt

Line 12 - Investments - Mortgage loans:	End of Year Book Value	End of Year Fair Market Value
FIRST HORIZON MORTGAGE 5.5 05/25/34	21,725.	22,000.
GSR MORTGAGE OAN TRUST 5.5 03/25/35	14,815.	14,239.
JP MORGAN MORTGAGE TRUST 6.25 7/25/36	1,847.	1,171.
Total	38,387.	37,410.

Form 990-PF, Page 2, Part II, Line 13
L-13 Stmt

Line 13 - Investments - Other:	End of Year Book Value	End of Year Fair Market Value
BAC CAPITAL TRUST X	261,861.	280,200.
BB&T CAPITAL 8.95%	107,831.	105,080.
BB&T CAPITAL TRUST VII 8.10	318,276.	319,200.
Total	687,968.	704,480.

Form 990-PF, Page 2, Part II, Line 22
Other Liab Stmt

Line 22 - Other Liabilities:	Beginning Year Book Value	Ending Year Book Value
NET UNSETTLED PURCHASES	0.	193,293.
Total	0.	193,293.

MARY E CARNRICK FOUNDATION
ATTENTION STUART MCKAIG, P.A
219 GREENWICH ROAD
CHARLOTTE NC 28211-2315

Home:
Mobile: (704) 965-7550
Business: (704) 365-0390
smckaig@bellsouth.net

TIER: Reserved Prestige

ACCT 767-[redacted]637-115 AAA
Sweep Fund AAMT

Realized Gain/Loss for Year 2011

Short Term Gain/Loss

SECURITY ▲	QUANTITY	DATE ACQUIRED	DATE SOLD	TOTAL COST ($)	ADJUSTED COST ($)	PROCEEDS ($)	G/L AMOUNT ($)	HOLDING PERIOD
Archer Daniels Midland Position:1 G/L Amount: -$5,502.51								
	1,000.000	01/25/2011	11/28/2011	33,936.57	33,936 57	28,434.06	-5502.51	short
Fmcc 2.996 1-13-12 Position:2 G/L Amount: $939.55								
	100,000.000	08/31/2010	07/18/2011	100,875.00	100,310.45	100,125.00	-185.45	short
	150,000.000	07/21/2010	07/18/2011	149,062.50	149,062.50	150,187.50	1,125.00	short
Sub Total	**250,000.000**			**$249,937.50**	**$249,372.95**	**$250,312.50**	**$939.55**	
Ishare Silver Trust Position:2 G/L Amount: $5,019.33								
	1,000.000	04/05/2011	04/11/2011	38,285.40	38,285 40	39,587.99	1,302.59	short
	1,000.000	03/22/2011	04/11/2011	35,871.25	35,871 25	39,587.99	3,716.74	short
Sub Total	**2,000.000**			**$74,156.65**	**$74,156.65**	**$79,175.98**	**$5,019.33**	
Mirant North Amer 7 3/8 12-31-13 Position:1 G/L Amount: -$642.59								
	60,000.000	04/22/2010	01/03/2011	62,106.00	61,748.99	61,106.40	-642.59	short
Slm Corp 6.000 12-15-43 Position:7 G/L Amount: -$10,928.34								
	1,120.000	01/03/2011	11/28/2011	23,417.89	23,417.89	21,007.32	-2410.57	short
	100.000	01/03/2011	11/28/2011	2,090 68	2,090.68	1,875.65	-215.03	short
	100.000	01/03/2011	11/28/2011	2,085.78	2,085.78	1,875.66	-210.12	short
	200.000	01/03/2011	11/28/2011	4,181.77	4,181.77	3,751 31	-430 46	short
	3,080.000	01/03/2011	11/28/2011	64,555.98	64,555.98	57,770.14	-6785.84	short
	300.000	01/03/2011	11/28/2011	6,284.95	6,284.95	5,626.96	-657.99	short
	100.000	01/03/2011	11/28/2011	2,093.98	2,093.98	1,875.65	-218.33	short
Sub Total	**5,000.000**			**$104,711.03**	**$104,711.03**	**$93,782.69**	**-$10,928.34**	
Short Term Total				**$524,847.75**	**$523,926.19**	**$512,811.63**	**-$11,114.56**	

Long Term Gain/Loss

SECURITY ▲	QUANTITY	DATE ACQUIRED	DATE SOLD	TOTAL COST ($)	ADJUSTED COST ($)	PROCEEDS ($)	G/L AMOUNT ($)	HOLDING PERIOD
Aep Industries 7 7/8 3-15-13 Position:1 G/L Amount: $494.75								
	100,000.000	09/28/2007	06/02/2011	99,505.25	99,505.25	100,000.00	494.75	long

Aetna Inc 6 3/4 9-15-13 Position:1 G/L Amount: $5,188.72								
	100,000.000	09/26/2007	11/28/2011	106,257.25	102,090.28	107,279.00	5,188.72	long
Alcoa Inc Position:1 G/L Amount: -$54,663.16								
	2,000.000	08/31/2007	11/28/2011	73,220.00	73,220.00	18,556.84	-54663.16	long
Allied Waste Na 6 3/8 4-15-11 Position:1 G/L Amount: $0.00								
	100,000.000	09/25/2007	04/15/2011	101,380.25	100,000.00	100,000.00	0.00	long
Altria Group Inc Position:1 G/L Amount: $17,820.58								
	3,000.000	07/22/2010	12/21/2011	66,008.06	66,008.06	83,828.64	17,820 58	long
Amer Genl Fin 5.200 12-15-11 Position:1 G/L Amount: $325.75								
	100,000.000	09/27/2007	12/15/2011	99,674.25	99,674.25	100,000.00	325 75	long
Amr Corp 10.420 3-15-11 Position:1 G/L Amount: $0.00								
	100,000.000	10/10/2007	03/15/2011	102,380.25	100,000.00	100,000.00	0.00	long
Archer Daniels Midland Position:1 G/L Amount: -$35,608.93								
	2,000.000	04/30/2008	11/28/2011	92,477.04	92,477.04	56,868.11	-35608.93	long
Bac Cap Tr X 6 1/4 3-29-55 Position:1 G/L Amount: $9,696.31								
	2,000.000	05/13/2009	11/28/2011	28,866.44	28,895.34	38,591.65	9,696 31	long
Capital One Finl 5.700 9-15-11 Position:1 G/L Amount: $495.75								
	50,000.000	05/27/2008	09/15/2011	49,504.25	49,504.25	50,000.00	495.75	long
Charlotte Cop Be 5.000 8-01-13 Position:1 G/L Amount: $1,761.28								
	50,000.000	08/31/2007	01/03/2011	53,091.00	51,426.72	53,188.00	1,761 28	long
Charlotte Spl Be 5.600 7-01-27 Position:1 G/L Amount: -$13,935.00								
	100,000 000	08/31/2007	12/06/2011	98,929 00	98,929.00	84,994.00	-13935.00	long
Citigroup Inc 5.300 10-17-12 Position:1 G/L Amount: $5,467.70								
	100,000.000	04/28/2008	02/25/2011	100,344.25	100,134.30	105,602.00	5,467.70	long
Cvs Ty043 Tend 6.302 6-01-37 Position:1 G/L Amount: $7,150.00								
	110,000.000	08/12/2010	12/08/2011	102,850.00	102,850.00	110,000.00	7,150.00	long
Daimlerchrylser 5 7/8 3-15-11 Position:1 G/L Amount: $0.00								
	50,000.000	09/10/2008	03/15/2011	50,914.25	50,000.00	50,000.00	0.00	long
Deere & Co Position:1 G/L Amount: $12,607.62								
	1,000.000	05/15/2008	04/01/2011	84,146.57	84,146.57	96,754.19	12,607.62	long
Fhlmc 30G A27027 7.000 3-01-31 Position:12 G/L Amount: -$178.61								
	87.040	06/23/2006	09/15/2011	90.52	90.52	87.04	-3.48	long

	207.830	06/23/2006	08/15/2011	216.14	216.14	207.83	-8.31	long
	1,069.720	06/23/2006	07/15/2011	1,112.51	1,112.51	1,069.72	-42.79	long
	104.510	06/23/2006	12/15/2011	108.69	108.69	104.51	-4.18	long
	572.400	06/23/2006	11/15/2011	595 30	595.30	572.40	-22.90	long
	171.640	06/23/2006	10/15/2011	178 51	178.51	171.64	-6.87	long
	95.590	06/23/2006	03/15/2011	99.41	99.41	95 59	-3.82	long
	1,198.480	06/23/2006	02/15/2011	1,246.42	1,246.42	1,198.48	-47.94	long
	112.230	06/23/2006	01/15/2011	116 72	116.72	112 23	-4.49	long
	148.660	06/23/2006	06/15/2011	154.61	154.61	148.66	-5.95	long
	593.960	06/23/2006	05/15/2011	617 72	617.72	593 96	-23.76	long
	103.090	06/23/2006	04/15/2011	107.21	107.21	103 09	-4 12	long
Sub Total	**4,465.150**			**$4,643.76**	**$4,643.76**	**$4,465.15**	**-$178.61**	
Fhlmc 30G A34516 6.000 4-01-35	**Position:12**	**G/L Amount: $206.29**						
	568.750	03/30/2005	09/15/2011	552.65	552.65	568 75	16.10	long adj 2005-12-20
	351.280	03/30/2005	08/15/2011	341.34	341.34	351.28	9.94	long adj 2005-12-20
	519.460	03/30/2005	07/15/2011	504.76	504.76	519.46	14.70	long adj 2005-12-20
	372.100	03/30/2005	12/15/2011	361.57	361.57	372.10	10.53	long adj 2005-12-20
	677.000	03/30/2005	11/15/2011	657.84	657.84	677.00	19.16	long adj 2005-12-20
	452 720	03/30/2005	10/15/2011	439.91	439.91	452.72	12 81	long adj 2005-12-20
	759 240	03/30/2005	03/15/2011	737.75	737.75	759.24	21.49	long adj 2005-12-20
	916.640	03/30/2005	02/15/2011	890 70	890.70	916.64	25 94	long adj 2005-12-20
	1,489 370	03/30/2005	01/15/2011	1,447.22	1,447.22	1,489.37	42.15	long adj 2005-12-20
	462 250	03/30/2005	06/15/2011	449.17	449.17	462.25	13.08	long adj 2005-12-20
	342.820	03/30/2005	05/15/2011	333.12	333.12	342 82	9.70	long adj 2005-12-20
	377.610	03/30/2005	04/15/2011	366.92	366.92	377.61	10.69	long adj 2005-12-20
Sub Total	**7,289.240**			**$7,082.95**	**$7,082.95**	**$7,289.24**	**$206.29**	
Fhlmc 30G C61761 6.000 12-01-31	**Position:12**	**G/L Amount: $191.60**						

	27.300	11/27/2001	09/15/2011	11.13	11.13	27.30	16.17	long adj 2005-12-20
	27.160	11/27/2001	08/15/2011	11.07	11.07	27.16	16.09	long adj 2005-12-20
	27.020	11/27/2001	07/15/2011	11.01	11.01	27 02	16.01	long adj 2005-12-20
	27 730	11/27/2001	12/15/2011	11.30	11.30	27 73	16.43	long adj 2005-12-20
	27.590	11/27/2001	11/15/2011	11.25	11.25	27.59	16.34	long adj 2005-12-20
	27.440	11/27/2001	10/15/2011	11.18	11 18	27.44	16.26	long adj 2005-12-20
	26.460	11/27/2001	03/15/2011	10.79	10.79	26.46	15.67	long adj 2005-12-20
	26.330	11/27/2001	02/15/2011	10.73	10 73	26.33	15.60	long adj 2005-12-20
	26.190	11/27/2001	01/15/2011	10.68	10.68	26.19	15.51	long adj 2005-12-20
	26.880	11/27/2001	06/15/2011	10.96	10.96	26.88	15.92	long adj 2005-12-20
	26.740	11/27/2001	05/15/2011	10.90	10.90	26.74	15.84	long adj 2005-12-20
	26.600	11/27/2001	04/15/2011	10.84	10.84	26.60	15.76	long adj 2005-12-20
Sub Total	**323.440**			**$131.84**	**$131.84**	**$323.44**	**$191.60**	
Fhr 2711 Gc 5 1/2 4-15-33	**Position:1**	**G/L Amount: $0.00**						
	853.230	03/23/2004	01/15/2011	853.23	853.23	853.23	0.00	long adj 2005-12-20
Fnma Arm 810896 1.964 1-01-35	**Position:1**	**G/L Amount: $2.02**						
	246 710	08/31/2007	12/25/2011	244 69	244.69	246.71	2.02	long
Fnma Arm 810896 1.969 1-01-35	**Position:2**	**G/L Amount: $1.25**						
	108.320	08/31/2007	11/25/2011	107.44	107.44	108.32	0 88	long
	44.910	08/31/2007	10/25/2011	44.54	44.54	44.91	0.37	long
Sub Total	**153.230**			**$151.98**	**$151.98**	**$153.23**	**$1.25**	
Fnma Arm 810896 1.982 1-01-35	**Position:1**	**G/L Amount: $0.59**						
	72.020	08/31/2007	09/25/2011	71.43	71.43	72.02	0.59	long
Fnma Arm 810896 1.983 1-01-35	**Position:1**	**G/L Amount: $0.39**						
	47.880	08/31/2007	08/25/2011	47.49	47 49	47 88	0.39	long
Fnma Arm 810896 1.984 1-01-35	**Position:1**	**G/L Amount: $1.20**						

	146.350	08/31/2007	07/25/2011	145 15	145.15	146.35	1.20	long
Fnma Arm 810896 2.020 1-01-35	Position:2	G/L Amount: $1.85						
	92.600	08/31/2007	06/25/2011	91.84	91.84	92.60	0.76	long
	133.080	08/31/2007	05/25/2011	131.99	131 99	133.08	1.09	long
Sub Total	**225.680**			**$223.83**	**$223.83**	**$225.68**	**$1.85**	
Fnma Arm 810896 2.021 1-01-35	Position:1	G/L Amount: $0.72						
	88.540	08/31/2007	04/25/2011	87.82	87 82	88.54	0.72	long
Fnma Arm 810896 2.028 1-01-35	Position:1	G/L Amount: $1.14						
	139.800	08/31/2007	03/25/2011	138.66	138 66	139.80	1.14	long
Fnma Arm 810896 2.038 1-01-35	Position:1	G/L Amount: $2.85						
	349.250	08/31/2007	01/25/2011	346.40	346.40	349.25	2.85	long
Fnma Arm 810896 2.039 1-01-35	Position:1	G/L Amount: $0.58						
	71 270	08/31/2007	02/25/2011	70.69	70.69	71.27	0.58	long
Fnma Pool 600664 5 1/4 7-01-31	Position:12	G/L Amount: -$257.85						
	8.140	05/19/2009	09/25/2011	8.59	8.59	8.14	-0.45	long
	1,383.960	05/19/2009	08/25/2011	1,460.08	1,460.08	1,383.96	-76.12	long
	512.660	05/19/2009	07/25/2011	540 86	540.86	512 66	-28.20	long
	8 290	05/19/2009	12/25/2011	8.75	8.75	8.29	-0.46	long
	9.120	05/19/2009	11/25/2011	9.62	9.62	9.12	-0.50	long
	8 630	05/19/2009	10/25/2011	9.10	9.10	8.63	-0.47	long
	992.640	05/19/2009	03/25/2011	1,047.24	1,047.24	992.64	-54.60	long
	16.390	05/19/2009	02/25/2011	17.29	17.29	16.39	-0.90	long
	203 790	05/19/2009	01/25/2011	215.00	215.00	203.79	-11.21	long
	12.870	05/19/2009	06/25/2011	13.58	13.58	12.87	-0.71	long
	1,516 580	05/19/2009	05/25/2011	1,599.99	1,599.99	1,516.58	-83.41	long
	14.930	05/19/2009	04/25/2011	15.75	15.75	14.93	-0.82	long
Sub Total	**4,688.000**			**$4,945.85**	**$4,945.85**	**$4,688.00**	**-$257.85**	
Fnma Pool 754903 5 1/2 9-01-33	Position:12	G/L Amount: -$96.40						
	15.780	05/19/2009	09/25/2011	16.62	16.62	15 78	-0.84	long
	598.250	05/19/2009	08/25/2011	630.04	630.04	598.25	-31.79	long
	15.920	05/19/2009	07/25/2011	16.77	16.77	15.92	-0.85	long
	13.340	05/19/2009	12/25/2011	14.05	14.05	13.34	-0.71	long
	13.620	05/19/2009	11/25/2011	14.34	14.34	13.62	-0.72	long
	666.950	05/19/2009	10/25/2011	702.39	702.39	666.95	-35.44	long

	16.360	05/19/2009	03/25/2011	17 23	17.23	16.36	-0.87	long
	16.630	05/19/2009	02/25/2011	17 51	17.51	16.63	-0.88	long
	18.770	05/19/2009	01/25/2011	19.77	19.77	18.77	-1.00	long
	404.590	05/19/2009	06/25/2011	426.09	426.09	404.59	-21.50	long
	17.340	05/19/2009	05/25/2011	18 26	18.26	17.34	-0.92	long
	16.560	05/19/2009	04/25/2011	17 44	17.44	16 56	-0.88	long
Sub Total	**1,814.110**			**$1,910.51**	**$1,910.51**	**$1,814.11**	**-$96.40**	
Fnma Pool 826821 5.000 8-01-35	**Position:12**	**G/L Amount: -$371.21**						
	376.640	05/19/2009	09/25/2011	394 53	394.53	376.64	-17.89	long
	788.070	05/19/2009	08/25/2011	825 50	825.50	788.07	-37.43	long
	575.430	05/19/2009	07/25/2011	602 76	602.76	575.43	-27 33	long
	1,121.250	05/19/2009	12/25/2011	1,174.51	1,174.51	1,121.25	-53 26	long
	260.640	05/19/2009	11/25/2011	273.02	273.02	260.64	-12.38	long
	304.840	05/19/2009	10/25/2011	319.32	319.32	304.84	-14.48	long
	780.600	05/19/2009	03/25/2011	817.68	817.68	780.60	-37.08	long
	1,019.120	05/19/2009	02/25/2011	1,067.53	1,067.53	1,019.12	-48.41	long
	1,146.360	05/19/2009	01/25/2011	1,200.81	1,200.81	1,146.36	-54.45	long
	454.460	05/19/2009	06/25/2011	476.05	476.05	454.46	-21.59	long
	245.780	05/19/2009	05/25/2011	257.45	257.45	245.78	-11.67	long
	741.990	05/19/2009	04/25/2011	777.23	777.23	741.99	-35.24	long
Sub Total	**7,815.180**			**$8,186.39**	**$8,186.39**	**$7,815.18**	**-$371.21**	
Gannett Co Inc 6 3/8 4-01-12	**Position:1**	**G/L Amount: $3,991.10**						
	250,000.000	10/02/2007	07/18/2011	259,605.25	251,633.90	255,625.00	3,991.10	long
General Electric Co	**Position:1**	**G/L Amount: $17,473.43**						
	2,500.000	02/09/2009	04/01/2011	31,986.68	31,986.68	49,460.11	17,473.43	long
Gnma Pool 003331 5.000 1-20-33	**Position:12**	**G/L Amount: $1,350.24**						
	391.740	01/23/2003	09/20/2011	248.91	248.91	391.74	142.83	long adj 2005-12-21
	283.820	01/23/2003	08/20/2011	180.34	180 34	283.82	103.48	long adj 2005-12-21
	291.540	01/23/2003	07/20/2011	185.24	185 24	291.54	106.30	long adj 2005-12-21
	344.340	01/23/2003	12/20/2011	218.79	218.79	344.34	125.55	long adj 2005-12-21
	277.660	01/23/2003	11/20/2011	176.43	176 43	277.66	101.23	long adj 2005-12-21

	393.600	01/23/2003	10/20/2011	250.09	250.09	393.60	143.51	long adj 2005-12-21
	218.540	01/23/2003	03/20/2011	138.86	138.86	218.54	79.68	long adj 2005-12-21
	370 280	01/23/2003	02/20/2011	235.28	235.28	370.28	135.00	long adj 2005-12-21
	506 070	01/23/2003	01/20/2011	321.56	321.56	506.07	184.51	long adj 2005-12-21
	149.930	01/23/2003	06/20/2011	95.27	95.27	149.93	54.66	long adj 2005-12-21
	122.710	01/23/2003	05/20/2011	77.97	77.97	122.71	44.74	long adj 2005-12-21
	353.120	01/23/2003	04/20/2011	224.37	224.37	353 12	128 75	long adj 2005-12-21
Sub Total	**3,703.350**			**$2,353.11**	**$2,353.11**	**$3,703.35**	**$1,350.24**	
Gnma Pool 003427 4 1/2 8-20-33	**Position:12**	**G/L Amount: $$0.00**						
	130.710	09/28/2005	09/20/2011	NA	0.00	130.71 RP	0.00	long
	111.980	09/28/2005	08/20/2011	NA	0.00	111.98 RP	0.00	long
	117.700	09/28/2005	07/20/2011	NA	0.00	117.70 RP	0.00	long
	195.520	09/28/2005	12/20/2011	NA	0.00	195.52 RP	0.00	long
	165.610	09/28/2005	11/20/2011	NA	0.00	165 61 RP	0.00	long
	179.370	09/28/2005	10/20/2011	NA	0.00	179.37 RP	0.00	long
	131.860	09/28/2005	03/20/2011	NA	0.00	131 86 RP	0.00	long
	134.860	09/28/2005	02/20/2011	NA	0.00	134.86 RP	0.00	long
	210.080	09/28/2005	01/20/2011	NA	0.00	210.08 RP	0.00	long
	98.520	09/28/2005	06/20/2011	NA	0.00	98 52 RP	0.00	long
	114.470	09/28/2005	05/20/2011	NA	0.00	114.47 RP	0.00	long
	125 490	09/28/2005	04/20/2011	NA	0.00	125.49 RP	0.00	long
Sub Total	**1,716.170**			**$0.00**	**$0.00**	**$1,716.17**	**$0.00**	
Gnr 2005 54 Jb 5.000 6-20-33	**Position:3**	**G/L Amount: $$0.00**						
	930.360	07/12/2005	03/20/2011	930.36	930.36	930.36	0.00	long adj 2005-12-21
	1,317.500	07/12/2005	02/20/2011	1,317.50	1,317.50	1,317.50	0.00	long adj 2005-12-21
	1,276.060	07/12/2005	01/20/2011	1,276.06	1,276.06	1,276.06	0.00	long adj 2005-12-21
Sub Total	**3,523.920**			**$3,523.92**	**$3,523.92**	**$3,523.92**	**$0.00**	
Hsbc Finance Corp 5.700 6-01-11	**Position:1**	**G/L Amount: $0.00**						
	100,000.000	09/20/2007	06/01/2011	101,475.25	100,000.00	100,000.00	0.00	long

Jpmmt 06-S2 1A6 6 1/4 7-25-36	Position:10	G/L Amount: $123.21						
	784.660	08/31/2007	08/25/2011	779.66	779.66	784.66	5.00	long
	17.960	08/31/2007	07/25/2011	17.85	17.85	17.96	0 11	long
	2,401.460	08/31/2007	09/25/2011	2,386.16	2,386.16	2,401.46	15.30	long
	2,565.550	08/31/2007	11/25/2011	2,549.20	2,549.20	2,565.55	16.35	long
	1,118.200	08/31/2007	10/25/2011	1,111.07	1,111.07	1,118.20	7.13	long
	6,833.540	08/31/2007	02/25/2011	6,790.00	6,790.00	6,833.54	43.54	long
	859.350	08/31/2007	01/25/2011	853.87	853.87	859.35	5.48	long
	2,680.130	08/31/2007	03/25/2011	2,663.05	2,663 05	2,680.13	17.08	long
	923.410	08/31/2007	05/25/2011	917.53	917.53	923.41	5.88	long
	1,151.960	08/31/2007	04/25/2011	1,144.62	1,144.62	1,151.96	7.34	long
Sub Total	**19,336.220**			**$19,213.01**	**$19,213.01**	**$19,336.22**	**$123.21**	
Massey Tnd 6 7/8 12-15-13	Position:1	G/L Amount: -$1,722.64						
	100,000.000	04/22/2010	06/01/2011	101,000.00	100,722 64	99,000.00	-1722.64	long
N C Cap Facs-A Be 5.000 4-01-14	Position:1	G/L Amount: -$674.21						
	50,000.000	08/31/2007	08/15/2011	52,806.00	50,875.71	50,201.50	-674.21	long
N C Edl Facs Be 5 1/4 10-01-18	Position:2	G/L Amount: -$1,654.96						
	45,000.000	08/31/2007	12/07/2011	45,685.80	45,022.25	43,370.40	-1651.85	long
	5,000.000	08/31/2007	09/12/2011	5,076.20	5,003.11	5,000.00	-3.11	long
Sub Total	**50,000.000**			**$50,762.00**	**$50,025.36**	**$48,370.40**	**-$1,654.96**	
N C Med Care Be 5 1/2 3-01-12	Position:1	G/L Amount: -$30.20						
	50,000 000	08/31/2007	08/30/2011	50,197 50	50,024.20	49,994.00	-30.20	long
N C Med Care-A Be 6.300 4-01-14	Position:1	G/L Amount: $0.00						
	15,000 000	08/31/2007	04/01/2011	16,440 75	15,150.00	15,150.00	0 00	long
Nc Eastn Mpa-A 5.000 1-01-17	Position:1	G/L Amount: $2,047.25						
	25,000.000	08/31/2007	08/08/2011	26,553.50	26,553.50	28,600.75	2,047.25	long
Nc Med Care Be 5 1/4 10-01-31	Position:1	G/L Amount: $1,133.33						
	75,000.000	08/31/2007	01/25/2011	79,942.50	76,485 67	77,619.00	1,133.33	long
Onslow Co Hosp Be 5 1/8 10-01-18	Position:1	G/L Amount: -$785.34						
	50,000.000	08/31/2007	08/08/2011	53,317.50	52,029.34	51,244.00	-785.34	long
Orange Co Go Be 5 1/4 2-01-14	Position:1	G/L Amount: $1,817.83						
	25,000.000	08/31/2007	08/09/2011	26,997.00	25,826 17	27,644.00	1,817.83	long
Sinclair Broad 6.000 9-15-12	Position:1	G/L Amount: $1,363.42						

	50,000.000	09/30/2005	04/15/2011	44,755 25	48,636.58	50,000.00	1,363.42	long
Sprint Nextel 6.000 12-01-16	**Position.2**	**G/L Amount: $5,095.74**						
	100,000 000	10/09/2007	07/28/2011	98,264.63	98,264.63	100,375.00	2,110.37	long
	100,000.000	10/09/2007	03/22/2011	98,264 63	98,264.63	101,250.00	2,985.37	long
Sub Total	**200,000.000**			**$196,529.26**	**$196,529.26**	**$201,625.00**	**$5,095.74**	
Synovus Bk/Cb&T 2.100 10-30-13	**Position:1**	**G/L Amount: $706.50**						
	90,000.000	04/22/2010	11/28/2011	90,000.00	90,000.00	90,706.50	706.50	long
Tobacco Mgmt Be 6 3/8 5-15-28	**Position:1**	**G/L Amount: $0.00**						
	50,000.000	08/31/2007	05/16/2011	51,721.00	50,500.00	50,500.00	0.00	long
Univ N C Rev-A Be 5.000 12-01-13	**Position:1**	**G/L Amount: $1,793.08**						
	25,000 000	08/31/2007	01/03/2011	26,677.00	25,827.17	27,620.25	1,793.08	long
Univ Nc Rev Be 5.000 1-01-17	**Position:1**	**G/L Amount: $231.39**						
	25,000.000	08/31/2007	08/29/2011	26,179.50	25,327 61	25,559 00	231.39	long
Vodafone Group 5 3/8 1-30-15	**Position:1**	**G/L Amount: $13,933.75**						
	100,000.000	09/24/2007	06/01/2011	97,917.25	97,917.25	111,851.00	13,933.75	long
Wells Fargo & Co 7.980 11-30-51	**Position:1**	**G/L Amount: $6,253.30**						
	100,000.000	06/04/2008	11/28/2011	103,119.57	100,431 37	106,684.67	6,253.30	long
Long Term Total				**$2,851,903.58**	**$2,819,716.18**	**$2,828,470.18**	**$8,754.00**	
Grand Total				**$3,376,751.33**	**$3,343,642.37**	**$3,341,281.81**	**-$2,360.56** *	

Disclaimer

The gain and loss information is provided for informational purposes only, is not a substitute 1099 form (or any other appropriate tax form), and should not be used for tax preparation. Unrealized gain and loss values are estimates and should be independently verified. We recommend that you contact your tax advisor to determine the appropriate use of this information. Past performance does not guarantee future returns. Gain and loss information is calculated based upon uniform standards and does not account for each individual client's particular circumstances such as the existence of hedging transactions or constructive sales. Although we make every effort to adjust the cost basis for securities' capital changes, we do not adjust the cost basis for all events. Contact your Financial Advisor for guidance on particular questions.For accounts with Choice Select pricing, the commissions paid on your eligible equity and option purchases and sales are applied to the Total Cost on a monthly basis. With respect to estimated gains and losses for listed equity options, we have taken into account option premiums paid or received and, in respect to multiple purchases and/or sales, calculated cost using an average unit price for all like positions. We are not responsible for any gain and loss information provided by you or another financial institution; you are responsible for ensuring the accuracy of such information. Whether provided by you, another financial institution or MSSB, it is your responsibility to ensure the accuracy of all of the Estimated Gain and Loss information.For clients wishing to make versus purchase sales that information needs to be conveyed at the time of the sale. Unless you tell us otherwise, we use first in first out (FIFO) accounting.

M - Priced Assets calculation includes all assets excluding Cash, MMF & Deposits. This aggregate number is not duplicated in Total Account Value calculation.
A - Priced Assets calculation includes all assets excluding Cash, MMF & Deposits This aggregate number is not duplicated in Total Account Value calculation.

* -2360.56
-1716.
-4076.56

Return of Principal/Payments