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

OMB No 1545-0052

2011

Department of the Treasury
Internal Revenue Service

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

For calendar year 2011, or tax year beginning

, 2011, and ending

H. W. DURHAM FOUNDATION, INC
5050 POPLAR AVE., SUITE 1007
MEMPHIS, TN 38157A Employer identification number
62-0583854B Telephone number (see the instructions)
901-683-3583C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐G Check all that apply ☐ Initial return ☐ Initial Return of a former public charity
☐ Final return ☐ Amended return
☐ Address change ☐ Name changeH Check type of organization. ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year (from Part II, column (c), line 16)
J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 11,609,785.

(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see 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 Ch ☒ if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	194,602.	194,602.	194,602.	
	4 Dividends and interest from securities	98,119.	98,119.	98,119.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	157,856.			
	b Gross sales price for all assets on line 6a	4,119,510.			
	7 Capital gain net income (from Part IV, line 2)		157,856.		
	8 Net short-term capital gain			157,856.	
	9 Income modifications				
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	450,577.	450,577.	450,577.		
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc	208,470.	81,740.		48,966.
	14 Other employee salaries and wages				77,764.
	15 Pension plans, employee benefits	19,312.	1,931.		17,380.
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) SEE ST 1	7,878.	5,435.		2,442.
	c Other prof fees (attach sch) SEE ST 2	55,061.	55,061.		
	17 Interest				
	18 Taxes (attach schedule)(see instrs) SEE STM 3	15,509.	6,216.		9,293.
	19 Depreciation (attach sch) and depletion	721.	721.		
	20 Occupancy	17,920.	1,792.		16,128.
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) SEE STATEMENT 4	61,485.	12,703.		48,781.
	24 Total operating and administrative expenses. Add lines 13 through 23	386,356.	165,599.		220,754.
25 Contributions, gifts, grants paid PART. XV	545,275.			545,275.	
26 Total expenses and disbursements. Add lines 24 and 25	931,631.	165,599.	0.	766,029.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-481,054.				
b Net investment income (if negative, enter -0-)		284,978.			
c Adjusted net income (if negative, enter 0)			450,577.		

3

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		40,135.	22,667.	22,667.
	2	Savings and temporary cash investments		597,759.	382,002.	382,002.
	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		7,674.	694.	694.
	10a	Investments — U.S. and state government obligations (attach schedule)				
	b	Investments — corporate stock (attach schedule)		1,642,585.	2,191,198.	2,191,198.
	c	Investments — corporate bonds (attach schedule)		6,473,172.	4,487,398.	4,487,398.
	LIABILITIES	11	Investments — land, buildings, and equipment: basis			
		Less: accumulated depreciation (attach schedule)				
12		Investments — mortgage loans				
13		Investments — other (attach schedule)		3,757,990.	4,524,435.	4,524,435.
14		Land, buildings, and equipment: basis	77,900.			
		Less: accumulated depreciation (attach schedule) SEE STMT 5	76,509.	2,112.	1,391.	1,391.
15		Other assets (describe)				
16		Total assets (to be completed by all filers — see the instructions. Also, see page 1, item 1)		12,521,427.	11,609,785.	11,609,785.
17		Accounts payable and accrued expenses		3,191.	2,730.	
18		Grants payable				
NET ASSETS OR FUND BALANCES	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
	23	Total liabilities (add lines 17 through 22)		3,191.	2,730.	
		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☒				
	24	Unrestricted		12,518,236.	11,607,055.	
	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					
30	Total net assets or fund balances (see instructions)		12,518,236.	11,607,055.		
31	Total liabilities and net assets/fund balances (see instructions)		12,521,427.	11,609,785.		

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	12,518,236.
2	Enter amount from Part I, line 27a	2	-481,054.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	12,037,182.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 6	5	430,127.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	11,607,055.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a SEE ATTACHED SCHEDULES		P	VARIOUS	VARIOUS
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 4,119,510.		3,961,654.	157,856.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			157,856.
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	157,856.
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	157,856.

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	588,070.	11,326,159.	0.051921
2009	725,984.	12,080,557.	0.060095
2008	913,479.	14,922,086.	0.061217
2007	861,638.	16,866,387.	0.051086
2006	470,870.	16,312,403.	0.028866

2 Total of line 1, column (d)	2	0.253185
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	0.050637
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.	4	11,882,419.
5 Multiply line 4 by line 3	5	601,690.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,850.
7 Add lines 5 and 6	7	604,540.
8 Enter qualifying distributions from Part XII, line 4	8	766,029.

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 ☒ and enter 1% of Part I, line 27b		1	2,850.
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	2,850.
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	2,850.
6 Credits/Payments.			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	3,544.	
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	3,544.	
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	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	694.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ 0. (2) On foundation managers \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) N/A		
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? <i>If 'No,' attach explanation.</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see 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? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>JIMMY R. ADKINS, CPA</u> Telephone no. <u>901-683-5100</u> Located at <u>7240 GOODLETT FARMS PKWY MEMPHIS TN</u> ZIP + 4 <u>38016</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here and enter the amount of tax-exempt interest received or accrued during the year <u>N/A</u>	15		N/A
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country <u></u>	16	Yes	No
				X

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

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

	Yes	No
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)? Organizations relying on a current notice regarding disaster assistance check here ☐	1b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? ☐ Yes ☒ No	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? ☐ Yes ☒ No	4b	X

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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 N/A

Organizations relying on a current notice regarding disaster assistance check here

☐

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

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
SEE STATEMENT 7		210,470.	0.	0.

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

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

Total number of other employees paid over \$50,000

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

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

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

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

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

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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	11,357,727.
b	Average of monthly cash balances	1b	705,643.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	12,063,370.
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	12,063,370.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	180,951.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	11,882,419.
6	Minimum investment return. Enter 5% of line 5	6	594,121.

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	594,121.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	2,850.
b	Income tax for 2011 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,850.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	591,271.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	591,271.
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	591,271.

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	766,029.
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	766,029.
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	2,850.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	763,179.

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.				591,271.
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__		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008	154,112.			
d From 2009	126,330.			
e From 2010	30,030.			
f Total of lines 3a through e	310,472.			
4 Qualifying distributions for 2011 from Part XII, line 4: \$ 766,029.				
a Applied to 2010, but not more than line 2a			0.	
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				591,271.
e Remaining amount distributed out of corpus	174,758.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	485,230.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 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)	0.			
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	485,230.			
10 Analysis of line 9.				
a Excess from 2007				
b Excess from 2008 ...	154,112.			
c Excess from 2009	126,330.			
d Excess from 2010	30,030.			
e Excess from 2011	174,758.			

N/A

- 4942(1)(5)

- (4) Gross investment income**

Form 990-PF (2011)

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
<i>a</i> Paid during the year SEE ATTACHED SCHEDULE 5050 POPLAR AVE MEMPHIS, TN 38157	NONE	EXEMPT	CHARITABLE	545,275.
Total			3a	545,275.
<i>b</i> Approved for future payment				
Total			3b	

H. W. DURHAM FOUNDATION, INC

62-0583854

STATEMENT 1
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	\$ 5,778.	\$ 3,755.		\$ 2,022.
TAX RETURN PREP	2,100.	1,680.		420.
TOTAL	\$ 7,878.	\$ 5,435.	\$ 0.	\$ 2,442.

STATEMENT 2
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISOR FEES	\$ 55,061.	\$ 55,061.		
TOTAL	\$ 55,061.	\$ 55,061.	\$ 0.	\$ 0.

STATEMENT 3
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	\$ 15,323.	\$ 6,197.		\$ 9,126.
PROPERTY TAX	186.	19.		167.
TOTAL	\$ 15,509.	\$ 6,216.	\$ 0.	\$ 9,293.

STATEMENT 4
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AUTOMOBILE	\$ 8,411.	\$ 2,603.		\$ 5,808.
BOARD EXPENSES	2,268.			2,268.
EDUCATION & TRAVEL	2,492.			2,492.
EXECUTIVE INSURANCE	32,838.	7,224.		25,613.
INSURANCE	6,003.	2,428.		3,575.
OFFICE	1,123.	112.		1,011.
PROFESSIONAL DUES & SUBSCRIPTIONS	4,991.			4,991.
TELEPHONE	3,359.	336.		3,023.
TOTAL	\$ 61,485.	\$ 12,703.	\$ 0.	\$ 48,781.

H. W. DURHAM FOUNDATION, INC

62-0583854

STATEMENT 5
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
AUTO./TRANSPORTATION EQUIP.	\$ 46,686.	\$ 46,686.	\$ 0.	\$ 0.
FURNITURE AND FIXTURES	0.	0.	0.	1,391.
MACHINERY AND EQUIPMENT	31,214.	29,823.	1,391.	0.
TOTAL	\$ 77,900.	\$ 76,509.	\$ 1,391.	\$ 1,391.

STATEMENT 6
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

FEDERAL TAXES	\$ 6,980.
UNREALIZED LOSS ON INVESTMENTS	423,147.
TOTAL	\$ 430,127.

STATEMENT 7
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
JENKS E. MCCORY 5050 POPLAR, SUITE 1007 MEMPHIS, TN 38157	PRESIDENT 35.00	\$ 101,615.	\$ 0.	\$ 0.
JOHN B. COLEMAN, JR 5050 POPLAR, SUITE 1007 MEMPHIS, TN 38157	VICE PRESIDENT 1.00	2,250.	0.	0.
LARRY BOONE 973 W. TREE DR COLLIERVILLE, TN 38017	TREASURER 1.00	2,250.	0.	0.
KAYE D. BROOKSBANK 251 BREMINGTON PL MEMPHIS, TN 38111	SECRETARY 1.00	1,450.	0.	0.
HUGH MCHENRY 265 RIDGECREST LANE KILLEN, AL 35645	DIRECTOR 1.00	1,800.	0.	0.
BETTIE DURHAM 409 WELLINGTON COVE MEMPHIS, TN 38117	DIRECTOR 1.00	1,050.	0.	0.

H. W. DURHAM FOUNDATION, INC

62-0583854

STATEMENT 7 (CONTINUED)
 FORM 990-PF, PART VIII, LINE 1
 LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
ERICH DURHAM 1224 HUNTSMAN LANE MEMPHIS, TN 38120	DIRECTOR 1.00	\$ 1,050.	\$ 0.	\$ 0.
LINDA NICHOLS 1030 JEFFERSON MEMPHIS, TN 38104	DIRECTOR 1.00	1,800.	0.	0.
CHRIS COOPER 6678 N KIRBY OAKS DRIVE MEMPHIS, TN 38119	DIRECTOR 35.00	97,205.	0.	0.
TOTAL		\$ 210,470.	\$ 0.	\$ 0.

STATEMENT 8
 FORM 990-PF, PART XV, LINE 2A-D
 APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:

NAME:

CARE OF:

STREET ADDRESS:

CITY, STATE, ZIP CODE:

TELEPHONE:

FORM AND CONTENT:

SUBMISSION DEADLINES:

RESTRICTIONS ON AWARDS:

5050 POPLAR AVE STE 1007

MEMPHIS, TN 38157

901-683-3583

NONE

NONE

GRANTS ARE MADE TO BENEFIT THE ELDERLY

Cl

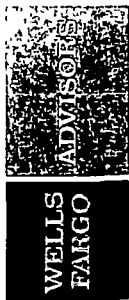
Date	check number	Grant Number	amount	Reciepent	Purpose
1/5/2011	2875	MG201006	\$200.00	Adult Day Care	matching grant
3/10/2011	2923	201110	\$30,000.00	Agape Child & Family Services	Mentors
3/22/2011	2924	201114	\$5,000.00	Aging Commission of the Mid South	Funds
9/27/2011	3025	MG201102	\$1,000.00	Alzheimer's Assn	matching grant for Coleman
10/13/2011	3034	201128	\$30,618.95	Alzheimer's Assn	Modernization & updates
6/15/2011	2974	201126	\$5,000.00	Alzheimer's Day Svc	Computers
			36,618.95		
2/28/2011	2913	201113	\$5,000.00	Baddour Center	Golf Tourn
5/12/2011	2955	201124u	\$20,000.00	Creative Aging Memphis	Durham award
9/21/2011	3019	201135	\$35,000.00	Creative Aging Memphis	Arts for Elders
			55,000.00		
2/23/2011	2907	201101	\$12,060.50	Crime Stoppers of Memphis & Shelby	Trautant B Gone
2/23/2011	2909	201106	\$6,000.00	Delta Arts	Arts for seniors
9/15/2011	3015	29031	\$700.00	Elmwood Cemetery	Sr. Lunch & Lecture
8/8/2011	2995	201132	\$1,100.00	Financial Consumers Alliance	Funeral Price info
5/12/2011	2952	201122u	\$50,000.00	Food Bank	Durham Award
5/12/2011	2956		\$50,000.00	Forever Young	
5/12/2011	2957		\$50,000.00	Forever Young	
		201121u	\$100,000.00		Durham Award
2/24/2011	2912		\$19,150.75	Foxbridge	
2/8/2011	2900		\$350.00	Harding Univ Graduate School	board member fee donated
5/9/2011	2949		\$350.00	Harding Univ Graduate School	board member fee donated
7/11/2011	2982	MG201101	\$1,000.00	Harding Univ Graduate School	Matching Grant for Boone
9/7/2011	3012		\$350.00	Harding Univ Graduate School	board member fee donated
12/8/2011	3050	201143	\$100.00	Harding Univ Graduate School	Memorial (Hufford)
			2,150.00		
5/26/2011	2964	201118	\$20,000.00	Highland Area Renewal Corp	Transportation
9/15/2011	3016	201142	\$2,500.00	Jacob's Ladder	Golf
8/8/2011	2996	201141	\$5,000.00	Jewish Family Services	Sr. Resource Fair
2/23/2011	2908	201103	\$8,050.00	Lewis Senior Center	Arts for Seniors
4/4/2011	2932	201119	\$5,000.00	Memphis Jewish Home	Golf Tourn.
4/20/2011	2936	201112	\$5,000.00	Mid South Comfort Care Coalition	Vigiling
5/18/2011	2962	201115	\$28,000.00	Mid South Spay & Neuter svc	Spay/Neuter svcs
5/9/2011	2943	201120	\$5,000.00	MIFA	emergency funds
5/12/2011	2954	201123u	\$10,000.00	MIFA	Durham Award
9/21/2011	3020	201138	\$95,625.00	MIFA	Meals on Wheels
			110,625.00		
2/24/2011	2911	201102	\$4,200.00	Pink Palace Museum	
11/21/2011	3041	ditto	\$7,920.00	Pink Palace Museum	
			12,120.00		Senior Day
5/17/2011	2959	201125	\$1,000.00	UT Extension	Elder Abuse
2/23/2011	2910	201108	\$15,000.00	Victorian Village, Inc.	Guides
4/20/2011	2935	201119b	\$5,000.00	Wesley Senior Ministries	Golf Tourn
6/16/2011	2975	201127	\$5,000.00	Wesley Senior Ministries	Golf
			10,000.00		
Grand Total			\$ 545,275.20		

HW DURHAM FOUNDATION, INC.
SALES OF STOCK
DECEMBER 31, 2011

	GL	Proceeds	Gains	Losses	Net gain/loss
Wells Fargo					
6740	1030 Sovereign	-	-	-	-
6742	1031 AIM	695,894.99	4,419.06	(3,296.35)	1,122.71
	1032 Earnest				-
	1033 Invesco				-
6748	1034 Calamos				-
6750	1035 Fayed Sarofim	1,227,995.35	21,747.75	(5,677.91)	16,069.84
6752	1036 Private Capital	280,731.14	-	(3,891.32)	(3,891.32)
6754	1037 Pacific	900,847.31	92,473.34	(2,081.32)	90,392.02
6756	1038 Pilot Plus	1,014,040.88	55,557.09	(1,394.41)	54,162.68
2543	1039 Highland	-	-	-	-
6758	1040 Invesco REIT	-	-	-	-
3369	1041 Froley Revy	-	-	-	-
6738	1042 Pilot Plus 6738	-	-	-	-
3998	1043 Masters	-	-	-	-
		4,119,510	174,197	(16,341)	157,856

Annual Statement Information

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Account Number: 2918-6742
H W DURHAM FOUNDATION INC

Realized Gain/Loss

This information is provided for courtesy purposes only. Each individual taxpayer should consult with a Tax Advisor as to any additional reporting requirements or adjustments. **THIS INFORMATION IS NOT VERIFIED OR GUARANTEED BY FIRST CLEARING, LLC TO BE ACCURATE FOR EACH TAXPAYER'S UNIQUE REPORTING REQUIREMENTS. THEREFORE, YOU SHOULD NEVER ASSUME THIS STATEMENT IS ACCURATE IN LIEU OF COMPLETING YOUR TAX RETURN AND CONSULTING WITH YOUR TAX ADVISOR.**

Federal tax reporting requirements will create differences between the information presented here and what appears on your Form 1099-B, including but not limited to the following situations:

* Cost basis for many fixed income tax lots has been amortized (for securities purchased at a premium) or accreted (for securities purchased at a discount), when possible, for applicable securities. For securities that were purchased at an Original Issue Discount (OID), only those positions whose cost basis has been adjusted will reflect the impacts of the OID accruals on the original cost basis. The original issue discount amount reported on your Form 1099-OID is not adjusted for market discount, acquisition premium or bond premium. Therefore, the amortization and accretion adjustments used on this statement may not be consistent with the Form 1099-OID amount because the reporting requirements on the Form 1099-OID are different.

* The Original Price represents the unadjusted price of the security. The Original Price can be used to calculate the original unadjusted cost of the security.

* Long-term capital gains reported by a RIC or REIT appear on Form 1099-DIV only, as noted in the instructions for that form.

* Lots closed due to transfers or journals will not be reflected in the Realized Gain/Loss Statement, or on the Form 1099-B.

REALIZED GAIN/LOSS SUMMARY			TOTAL
	COVERED	NONCOVERED	
Short term	\$0.00	\$4,419.06	\$4,419.06
Long term	\$0.00	-\$3,296.35	-\$3,296.35
Other term	Not applicable	\$0.00	\$0.00
Index options	Not applicable	\$0.00	\$0.00
Total - Realized Gain/Loss	\$0.00	\$1,122.71	\$1,122.71

Annual Statement Information

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Account Number: 2918-6742
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Realized Gain/Loss Detail

Short Term	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
DESCRIPTION								
AMERICAN EXPRESS CO								
SR UNSECURED								
CPN 7.250% DUE 05/20/14								
DTD 05/18/09 FC 11/20/09	X	4,000.00000	116.4100	09/13/10	05/27/11	4,598.16	4,656.40	-58.24
AUTOZONE INC								
SR UNSECURED NOTES								
CPN 5.750% DUE 01/15/15								
DTD 07/02/09 FC 01/15/10	X	1,000.00000	112.5890	08/09/11	10/27/11	1,102.11	1,125.89	-23.78
BANK OF AMERICA CORP								
NOTES								
CPN 3.125% DUE 06/15/12								
DTD 12/04/08 FC 06/15/09	X	5,000.00000	104.3620	10/26/10	08/24/11	5,115.85	5,218.10	-102.25
	X	7,000.00000	104.3620	10/26/10	10/04/11	7,141.82	7,305.34	-163.52
		12,000.00000				12,257.67	12,523.44	-265.77
Subtotal								
CATERPILLAR FIN SERV CRP								
MEDIUM TERM NOTES								
CPN 5.450% DUE 04/15/18								
DTD 03/27/08 FC 10/15/08	X	4,000.00000	114.6250	09/09/10	05/25/11	4,526.60	4,585.00	-58.40
DIRECTV HOLDINGS/FING								
SR UNSECURED								
CPN 3.125% DUE 02/15/16								
DTD 08/17/10 FC 02/15/11	X	5,000.00000	102.0890	10/27/10	03/08/11	4,919.75	5,104.45	-184.70
EXELON CORP								
NOTES								
CPN 4.900% DUE 06/15/15								
DTD 06/09/05 FC 12/15/05	X	5,000.00000	109.4560	09/01/10	04/06/11	5,244.25	5,472.80	-228.55
FEDERAL HOME LN MTG CORP								
NOTES								
CPN 2.125% DUE 03/23/12								
DTD 02/19/09 FC 09/23/09	X	40,000.00000	102.3200	06/15/10	04/21/11	40,674.64	40,928.00	-253.36

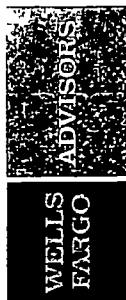


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Annual Statement Information

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Account Number: 2918-6742
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
FEDL HOME LOAN MTG CORP GLOBAL NOTES CPN 5.000% DUE 07/15/14 DTD 07/16/04 FC 01/15/05		X	35,000.00000	114.1550	08/30/10	04/06/11	38,755.85	39,954.25	-1,198.40
GOLDMAN SACHS GROUP INC NOTES CPN 5.950% DUE 01/18/18 DTD 01/18/08 FC 07/18/08		X	14,000.00000	108.1270	09/16/10	06/23/11	15,186.50	15,137.78	48.72
KIMBERLY-CLARK NOTES CALLABLE CPN 6.125% DUE 08/01/17 DTD 07/30/07 FC 02/01/08		X	4,000.00000	121.1670	10/26/10	08/23/11	4,843.84	4,846.68	-2.84
KINDER MORGAN ENER PART SR UNSECURED NOTES CALLABLE CPN 5.850% DUE 09/15/12 DTD 08/28/07 FC 03/15/08		X	4,000.00000	108.3790	10/26/10	03/10/11	4,263.72	4,335.16	-71.44
MERRILL LYNCH & CO MEDIUM TERM NOTES CPN 6.400% DUE 08/28/17 DTD 08/28/07 FC 02/28/08		X	4,000.00000	107.8620	09/20/10	07/13/11	4,396.96	4,314.48	82.48
SOUTHERN POWER CO GLOBAL SENIOR NOTEES CALLABLE CPN 6.250% DUE 07/15/12 DTD 06/18/02 FC 01/15/03		X	2,000.00000	104.7760	08/29/11	12/20/11	2,067.40	2,095.52	-28.12
U S TREASURY BOND CPN 4.375% DUE 02/15/38 DTD 02/15/08 FC 08/15/08		X	1,000.00000	102.1328	07/19/11	08/30/11	1,159.96	1,021.33	138.63
		X	1,000.00000	102.1328	07/19/11	10/31/11	1,209.88	1,021.33	188.55

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Annual Statement Information

Account Number: 2918-6742
H W DURHAM FOUNDATION INC

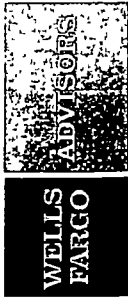
Realized Gain/Loss

Short Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
		X	2,000.00000	102.1328	07/19/11	11/22/11	2,574.22	2,042.65	531.57
			4,000.00000				4,944.06	4,085.31	858.75
Subtotal									
U.S. TREASURY BONDS 08/23									
CPN 6.250% DUE 08/15/23									
DTD 08/15/93 FC 02/15/94									
		X	7,000.00000	133.9921	11/05/10	11/02/11	9,866.99	9,379.45	487.54
		X	1,000.00000	131.7343	11/30/10	11/02/11	1,409.57	1,317.34	92.23
		X	1,000.00000	126.8906	12/07/10	11/02/11	1,409.57	1,268.91	140.66
		X	6,000.00000	123.9023	03/29/11	11/02/11	8,457.43	7,434.14	1,023.29
			15,000.00000				21,143.56	19,399.84	1,743.72
Subtotal									
U.S. TREASURY									
NOTES									
CPN 2.375% DUE 05/31/18									
DTD 05/31/11 FC 11/30/11									
		X	1,000.00000	100.7968	06/10/11	10/18/11	1,053.91	1,007.97	45.94
Subtotal									
U.S. TREASURY									
NOTES									
CPN 2.625% DUE 11/15/20									
DTD 11/15/10 FC 05/15/11									
		X	12,000.00000	93.7682	12/15/10	08/09/11	12,286.36	11,252.19	1,034.17
				93.3988				11,207.87	
		X	6,000.00000	93.8770	12/15/10	10/18/11	6,307.27	5,632.62	674.65
				93.3988				5,603.92	
		X	36,000.00000	94.3305	01/13/11	11/02/11	38,186.72	33,958.98	4,227.74
				93.9023				33,804.85	
			54,000.00000				56,780.35	50,843.79	5,936.56
Subtotal									
U.S. TREASURY									
NOTES									
CPN 1.750% DUE 07/31/15									
DTD 07/31/10 FC 01/31/11									
		X	39,000.00000	101.7031	09/02/10	05/06/11	39,283.36	39,664.22	-380.86



Annual Statement Information

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Account Number: 2918-6742
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
US TREASURY NOTES									
CPN 1.000% DUE 10/31/11		X	2,000.00000	100.7226	06/29/10	02/24/11	2,010.86	2,014.46	-3.60
DTD 10/31/09 FC 04/30/10		X	7,000.00000	100.7226	06/29/10	03/29/11	7,032.54	7,050.59	-18.05
		X	5,000.00000	100.7578	10/29/10	07/19/11	5,013.28	5,037.89	-24.61
		X	2,000.00000	100.4375	04/29/11	07/19/11	2,005.32	2,008.75	-3.43
		X	1,000.00000	100.3125	06/30/11	07/19/11	1,002.66	1,003.13	-0.47
			17,000.00000				17,064.66	17,114.82	-50.16
Subtotal									
US TREASURY NOTES									
CPN 2.750% DUE 02/15/19									
DTD 02/15/09 FC 08/15/09		X	48,000.00000	99.3984	06/29/10	01/13/11	47,285.63	47,711.24	-425.61
US TREASURY NOTES									
CPN 4.375% DUE 08/15/12									
DTD 08/15/02 FC 02/15/03		X	2,000.00000	104.9143	06/03/11	11/15/11	2,063.75	2,098.29	-34.54
US TREASURY NOTES									
CPN 4.625% DUE 08/31/11									
DTD 08/31/06 FC 02/28/07		X	34,000.00000	104.9101	06/15/10	03/16/11	34,690.51	35,669.45	-978.94
US TREASURY NOTES									
CPN 4.625% DUE 02/15/17									
DTD 02/15/07 FC 08/15/07		X	15,000.00000	116.4453	09/08/10	06/10/11	17,302.14	17,466.80	-164.66
		X	1,000.00000	116.3359	11/15/10	06/10/11	1,153.47	1,163.36	-9.89
		X	4,000.00000	116.1289	11/22/10	06/10/11	4,613.91	4,645.16	-31.25
		X	6,000.00000	111.7109	04/14/11	06/10/11	6,920.86	6,702.66	218.20
		X	3,000.00000	112.6523	04/29/11	06/10/11	3,460.44	3,379.57	80.87

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Account Number: 2918-6742
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
US TREASURY			29,000.00000				33,450.82	33,357.55	93.27
NOTES									
CPN 1.125% DUE 01/15/12									
DTD 01/15/09 FC 07/15/09		X	1,000.00000	100.7893	01/26/11	09/07/11	1,003.75	1,007.89	-4.14
US TREASURY WI									
NOTES									
CPN 2.125% DUE 08/15/21									
DTD 08/15/11 FC 02/15/12		X	1,000.00000	100.7539	11/02/11	11/29/11	1,011.47	1,007.54	3.93
VERIZON COMMUNICATIONS									
NOTES									
CALLABLE									
CPN 5.250% DUE 04/15/13									
DTD 04/04/08 FC 10/15/08		X	1,000.00000	107.2260	08/09/11	11/09/11	1,061.32	1,072.26	-10.94
WELLS FARGO COMPANY									
NOTES									
CPN 4.950% DUE 10/16/13									
DTD 10/16/03 FC 04/16/04		X	14,000.00000	107.4640	07/20/10	06/23/11	14,909.44	15,044.96	-135.52
TOTAL SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES							\$418,584.04	\$414,164.98	\$4,419.06
TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES							\$0.00	\$0.00	\$0.00
Long Term									
Description		Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
ADVISORS SER TR									
PIA BBB BOND FUND									
AT&T WIRELESS SVCS INC		X	1,186.00000	9.6800	06/15/10	08/18/11	12,429.28	11,480.49	948.79
GLOBAL NOTES									
CALLABLE									
CPN 8.125% DUE 05/01/12									
DTD 04/16/02 FC 11/01/02		X	4,000.00000	110.8670	10/26/10	12/28/11	4,105.30	4,434.68	-329.38

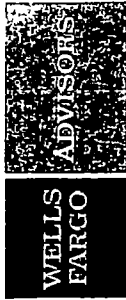


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Account Number: 2918-6742
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
AUTOZONE INC									
SR UNASECURED NOTES									
CPN 5.750% DUE 01/15/15									
DTD 07/02/09 FC 01/15/10		X	4,000.00000	112.0170	09/13/10	10/27/11	4,408.44	4,480.68	-72.24
FEDERAL NATL MTG ASSN									
NOTES									
CPN 2.375% DUE 07/28/15									
DTD 06/14/10 FC 07/28/10		X	5,000.00000	100.4350	06/25/10	08/29/11	5,297.45	5,021.75	275.70
JEFFERIES GROUP INC									
SENIOR NOTES									
CALLABLE									
CPN 7.750% DUE 03/15/12									
DTD 03/12/02 FC 09/15/02		X	2,000.00000	108.0130	10/05/10	11/01/11	2,019.50	2,160.26	-140.76
		X	1,000.00000	107.8790	10/26/10	11/01/11	1,009.75	1,078.79	-69.04
Subtotal			3,000.00000				3,029.25	3,239.05	-209.80
MERRILL LYNCH & CO									
MEDIUM TERM NOTES									
CPN 5.770% DUE 07/25/11									
DTD 07/25/06 FC 01/25/07		X	15,000.00000	104.5980	06/22/10	07/25/11	15,000.00	15,689.70	-689.70
MORGAN STANLEY									
NOTES									
CPN 5.375% DUE 10/15/15									
DTD 10/21/05 FC 04/15/06		X	15,000.00000	100.9970	06/22/10	10/11/11	14,495.70	15,149.55	-653.85
SOUTHERN POWER CO									
GLOBAL SENIOR NOTEES									
CALLABLE									
CPN 6.250% DUE 07/15/12									
DTD 06/18/02 FC 01/15/03		X	3,000.00000	109.6100	08/18/10	12/20/11	3,101.08	3,288.30	-187.22
U S TREASURY BONDS 08/23									
CPN 6.250% DUE 08/15/23									
DTD 08/15/93 FC 02/15/94		X	1,000.00000	129.1562	06/29/10	10/11/11	1,395.55	1,291.57	103.98

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Annual Statement Information

Account Number: 2918-6742
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
		X	1,000.00000	129.1562	06/29/10	10/31/11	1,390.82	1,291.57	99.25
		X	14,000.00000	129.1562	06/29/10	11/02/11	19,733.98	18,081.85	1,652.13
		X	2,000.00000	135.9492	09/29/10	11/02/11	2,819.14	2,718.98	100.16
			18,000.00000				25,339.49	23,383.97	1,955.52
Subtotal									
U S TREASURY NOTES									
CPN 5.000% DUE 08/15/11									
DTD 08/15/01 FC 02/15/02		X	25,000.00000	105.2308	06/22/10	08/15/11	25,000.00	26,307.70	-1,307.70
U S TREASURY NOTES									
CPN 1.000% DUE 10/31/11									
DTD 10/31/09 FC 04/30/10		X	30,000.00000	100.7226	06/29/10	07/19/11	30,079.68	30,216.78	-137.10
U S TREASURY NOTES									
CPN 3.125% DUE 05/15/19									
DTD 05/15/09 FC 11/15/09		X	10,000.00000	100.0277	06/22/10	11/23/11	11,183.94	10,002.78	1,181.16
U S TREASURY NOTES									
CPN 4.375% DUE 08/15/12									
DTD 08/15/02 FC 02/15/03		X	42,000.00000	107.7968	06/15/10	11/15/11	43,338.60	45,274.69	-1,936.09
U S TREASURY NOTES									
CPN 1.125% DUE 01/15/12									
DTD 01/15/09 FC 07/15/09		X	35,000.00000	100.7347	06/15/10	09/07/11	35,131.13	35,257.15	-126.02
U S TREASURY NOTES 02/12									
CPN 4.875% DUE 02/15/12									
DTD 02/15/02 FC 08/15/02		X	25,000.00000	107.0511	06/22/10	10/14/11	25,395.42	26,762.78	-1,367.36



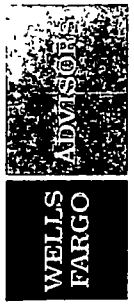
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Account Number: 2918-6742
H W DURHAM FOUNDATION INC

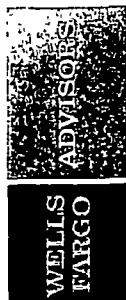


Realized Gain/Loss

Long Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Description									
VERIZON COMMUNICATIONS									
NOTES									
CALLABLE									
CPN 5.250% DUE 04/15/13									
DTD 04/04/08 FC 10/15/08	X		14,000.00000	110.7110	10/18/10	11/09/11	14,858.48	15,499.54	-641.06
TOTAL LONG TERM GAINS OR LOSSES FOR COVERED SECURITIES							\$0.00	\$0.00	\$0.00
TOTAL LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES							\$272,193.24	\$275,489.59	-\$3,296.35

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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

This information is provided for courtesy purposes only. Each individual taxpayer should consult with a Tax Advisor as to any additional reporting requirements or adjustments. THIS INFORMATION IS NOT VERIFIED OR GUARANTEED BY FIRST CLEARING, LLC TO BE ACCURATE FOR EACH TAXPAYER'S UNIQUE REPORTING REQUIREMENTS. THEREFORE, YOU SHOULD NEVER ASSUME THIS STATEMENT IS ACCURATE IN LIEU OF COMPLETING YOUR TAX RETURN AND CONSULTING WITH YOUR TAX ADVISOR.

Federal tax reporting requirements will create differences between the information presented here and what appears on your Form 1099-B, including but not limited to the following situations:

* Cost basis for many fixed income tax lots has been amortized (for securities purchased at a premium) or accreted (for securities purchased at a discount), when possible, for applicable securities. For securities that were purchased at an Original Issue Discount (OID), only those positions whose cost basis has been adjusted will reflect the impacts of the OID accruals on the original cost basis. The original issue discount amount reported on your Form 1099-OID is not adjusted for market discount, acquisition premium or bond premium. Therefore, the amortization and accretion adjustments used on this statement may not be consistent with the Form 1099-OID amount because the reporting requirements on the Form 1099-OID are different.

* The Original Price represents the unadjusted price of the security. The Original Price can be used to calculate the original unadjusted cost of the security.

* Long-term capital gains reported by a RIC or REIT appear on Form 1099-DIV only, as noted in the instructions for that form.

* Lots closed due to transfers or journals will not be reflected in the Realized Gain/Loss Statement, or on the Form 1099-B.

REALIZED GAIN/LOSS SUMMARY

	COVERED	NONCOVERED	TOTAL
Short term	\$0.00	-\$5,677.91	-\$5,677.91
Long term	\$0.00	\$21,747.75	\$21,747.75
Other term	Not applicable	\$0.00	\$0.00
Index options	Not applicable	\$0.00	\$0.00
Total - Realized Gain/Loss	\$0.00	\$16,069.84	\$16,069.84

Realized Gain/Loss Detail

Short Term	Noncovered	Share Quantity	Adjusted Price/Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/Original Cost	Gain or Loss Amount
Description APPALACHIAN POWER CO NOTES CPN 5.550% DUE 04/01/11 DTD 04/10/06 FC 10/01/06	X	15,000.00000	103.1770	05/25/10	04/01/11	15,000.00	15,476.55	-476.55
CALVERT FUND ULTRA SHORT INCOME FD CLASS Y	X	1,291.99000	15.7101	03/24/11	11/18/11	20,000.00	20,297.25	-297.25

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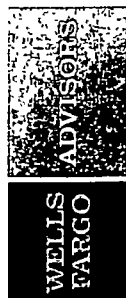
Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Description									
DELAWARE GROUP TREAS									
RESVS INC LTD TERM DVRFD									
INCM FD INSTL CLASS									
		X	48.76800	8.9800	11/23/10	10/26/11	437.45	437.94	-0.49
		X	117.84000	8.9800	11/24/10	10/26/11	1,057.03	1,058.20	-1.17
		X	52.14200	8.9200	12/23/10	10/26/11	467.71	465.11	2.60
		X	57.18000	8.9000	01/24/11	10/26/11	512.91	508.90	4.01
		X	61.16000	8.8800	02/23/11	10/26/11	548.61	543.10	5.51
		X	53.36500	8.8800	03/23/11	10/26/11	478.68	473.88	4.80
		X	67.92700	8.8800	04/25/11	10/26/11	609.31	603.19	6.12
		X	71.16400	8.9800	05/23/11	10/26/11	638.35	639.05	-0.70
		X	65.87300	9.0100	06/23/11	10/26/11	590.89	593.52	-2.63
		X	46.84700	9.0200	07/25/11	10/26/11	420.22	422.56	-2.34
		X	50.11600	9.0800	08/23/11	10/26/11	449.54	455.05	-5.51
		X	51.49000	9.0900	09/23/11	10/26/11	461.87	468.04	-6.17
		X	52.22700	8.9700	10/24/11	10/26/11	468.50	468.48	0.02
			796.09900				7,141.07	7,137.02	4.05
Subtotal									
MONEY MKT OBLIGS TR									
PRIME CASH OBLIGS FD									
INSTL SHS									
		X	20,000.00000	1.0000	02/01/11	04/13/11	20,000.00	20,000.00	0.00
		X	30,000.00000	1.0000	02/01/11	10/26/11	30,000.00	30,000.00	0.00
		X	6.78000	1.0000	03/01/11	10/26/11	6.78	6.78	0.00
		X	7.70000	1.0000	04/01/11	10/26/11	7.70	7.70	0.00
		X	4.77000	1.0000	05/02/11	10/26/11	4.77	4.77	0.00
		X	3.13000	1.0000	06/01/11	10/26/11	3.13	3.13	0.00
		X	2.61000	1.0000	07/01/11	10/26/11	2.61	2.61	0.00
		X	2.47000	1.0000	08/01/11	10/26/11	2.47	2.47	0.00



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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term	Continued							
Description	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
	X	2.83000	1.0000	09/01/11	10/26/11	2.83	2.83	0.00
	X	3.03000	1.0000	10/03/11	10/26/11	3.03	3.03	0.00
Subtotal		50,033.32000				50,033.32	50,033.32	0.00
NORTHROP GRUMMAN CORP NOTES								
CALLABLE CPN 7.125% DUE 02/15/11								
DTD 02/27/01 FC 08/15/01	X	15,000.00000	104.1130	05/26/10	02/15/11	15,000.00	15,616.95	-616.95
ONEOK INC NOTES								
CALLABLE CPN 7.125% DUE 04/15/11								
DTD 04/06/01 FC 10/15/01	X	15,000.00000	104.7130	05/25/10	04/15/11	15,000.00	15,706.95	-706.95
PRUDENTIAL SHORT-TERM CORPORATE BD FD INC CLASS Z								
	X	8,591.06500	11.6400	08/31/10	04/13/11	98,797.24	100,000.00	-1,202.76
	X	18.77400	11.6500	09/21/10	04/13/11	215.90	218.72	-2.82
	X	29.44800	11.7200	10/21/10	04/13/11	338.65	345.13	-6.48
	X	31.75800	11.6100	11/22/10	04/13/11	365.21	368.71	-3.50
	X	29.18500	11.5000	12/21/10	04/13/11	335.63	335.63	0.00
	X	10.82300	11.5000	01/03/11	04/13/11	124.46	124.47	-0.01
	X	20.33600	11.5000	01/21/11	04/13/11	233.86	233.86	0.00
	X	33.13900	11.4800	02/22/11	04/13/11	381.11	380.43	0.68
	X	27.93900	11.5300	03/21/11	04/13/11	321.31	322.14	-0.83
Subtotal		8,792.46700				101,113.37	102,329.09	-1,215.72

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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
SCANA CORP MEDIUM TERM NOTES CPN 6.875% DUE 05/15/11 DTD 05/09/01 FC 11/15/01		X	15,000.00000	104.9930	05/26/10	05/16/11	15,000.00	15,748.95	-748.95
THORNBURG INCOME TR LTD TERM INCOME FD CL I		X	7,473.84200	13.3800	08/31/10	04/13/11	98,579.97	100,000.00	-1,420.03
		X	23.59700	13.4100	10/01/10	04/13/11	311.24	316.44	-5.20
		X	24.70200	13.4400	11/01/10	04/13/11	325.82	332.00	-6.18
		X	23.00200	13.3000	11/23/10	04/13/11	303.39	305.93	-2.54
		X	25.21500	13.3000	12/01/10	04/13/11	332.58	335.36	-2.78
		X	25.35800	13.1100	01/03/11	04/13/11	334.47	332.45	2.02
		X	25.54700	13.1500	02/01/11	04/13/11	336.97	335.94	1.03
		X	25.81500	13.1600	03/01/11	04/13/11	340.50	339.73	0.77
		X	25.01900	13.1600	04/01/11	04/13/11	330.02	329.25	0.77
Subtotal			7,672.09700				101,194.96	102,627.10	-1,432.14
TYCO INTL GROUP SA NOTES CALLABLE CPN 6.750% DUE 02/15/11 DTD 02/21/01 FC 08/15/01		X	5,000.00000	103.7490	05/27/10	02/15/11	5,000.00	5,187.45	-187.45
TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES							\$0.00	\$0.00	\$0.00
TOTAL SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES							\$344,482.72	\$350,160.63	-\$5,677.91

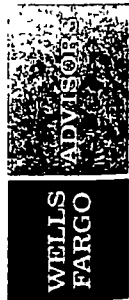


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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term									
Description	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount	
AGL CAPITAL CORP COMPANY GTD CPN 5.250% DUE 08/15/19 DTD 08/10/09 FC 02/15/10	X	10,000.00000	99.7830	08/05/09	01/20/11	10,350.00	9,978.30	371.70	
ALLIED WASTE NORTH AMER SR NOTES CALLABLE CPN 5.750% DUE 02/15/11 DTD 01/27/04 FC 08/15/04	X	15,000.00000	103.7500	08/27/09	02/15/11	15,000.00	15,562.50	-562.50	
BB&T CORPORATION NOTES CPN 3.100% DUE 07/28/11 DTD 07/28/09 FC 01/28/10	X	15,000.00000	100.2700	07/31/09	07/28/11	15,000.00	15,040.50	-40.50	
BLACK & DECKER CORP GLOBAL SENIOR NOTES CALLABLE CPN 7.125% DUE 06/01/11 DTD 06/05/01 FC 12/01/01	X	10,000.00000	105.7660	11/20/09	06/01/11	10,000.00	10,576.60	-576.60	
BOEING CAPITAL CORP GLOBAL NOTES CPN 6.100% DUE 03/01/11 DTD 03/08/01 FC 09/01/01	X	15,000.00000	105.3730	04/23/08	03/01/11	15,000.00	15,805.95	-805.95	
COMMONWEALTH EDISON 1ST MORTGAGE BD SER 105 CPN 5.400% DUE 12/15/11 DTD 12/19/06 FC 06/15/07	X	10,000.00000	101.9030	05/18/09	12/15/11	10,000.00	10,190.30	-190.30	
CRED SUISSE FB USA INC NOTES CPN 6.125% DUE 11/15/11 DTD 11/06/01 FC 05/15/02	X	25,000.00000	105.1840	08/27/03	11/15/11	25,000.00	26,296.00	-1,296.00	

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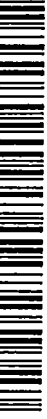
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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
CSX CORP NOTES CALLABLE CPN 6.750% DUE 03/15/11 DTD 03/13/01 FC 09/15/01		X	10,000.00000	102.3460	04/16/09	03/15/11	10,000.00	10,234.60	-234.60
DELAWARE GROUP TREAS RESVS INC LTD TERM DVRFD INCM FD INSTL CLASS		X	24,160.03100	8.2400	03/24/09	10/26/11	216,715.48	199,078.65	17,636.83
		X	94.16700	8.3400	04/23/09	10/26/11	844.67	785.35	59.32
		X	101.57100	8.4900	05/26/09	10/26/11	911.09	862.34	48.75
		X	125.40300	8.5200	06/23/09	10/26/11	1,124.86	1,068.43	56.43
		X	108.50800	8.6600	07/23/09	10/26/11	973.31	939.68	33.63
		X	101.55000	8.7400	08/24/09	10/26/11	910.90	887.55	23.35
		X	92.73500	8.8400	09/23/09	10/26/11	831.83	819.78	12.05
		X	92.07500	8.8900	10/23/09	10/26/11	825.91	818.55	7.36
		X	89.98300	8.9000	11/23/09	10/26/11	807.14	800.85	6.29
		X	52.34200	8.9000	11/24/09	10/26/11	469.50	465.84	3.66
		X	93.47500	8.9000	12/23/09	10/26/11	838.47	831.93	6.54
		X	84.24100	8.9600	01/25/10	10/26/11	755.64	754.80	0.84
		X	88.85600	8.9300	02/23/10	10/26/11	797.04	793.48	3.56
		X	81.83700	8.9700	03/23/10	10/26/11	734.08	734.08	0.00
		X	80.05700	8.9900	04/23/10	10/26/11	718.11	719.71	-1.60
		X	79.41700	8.8900	05/24/10	10/26/11	712.37	706.02	6.35
		X	88.31500	8.9000	06/23/10	10/26/11	792.18	786.00	6.18
		X	50.07700	8.9400	07/23/10	10/26/11	449.19	447.69	1.50
		X	48.96400	9.0000	08/23/10	10/26/11	439.20	440.68	-1.48





Realized Gain/Loss

Long Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
		X	47,89300	9.0300	09/23/10	10/26/11	429.60	432.47	-2.87
		X	48.27200	9.0300	10/25/10	10/26/11	433.00	435.90	-2.90
Subtotal			25,809.76900				231,513.57	213,609.78	17,903.79
DPL INC									
SENIOR NOTES									
CALLABLE									
CPN 6.875% DUE 09/01/11									
DTD 08/31/01 FC 03/01/02		X	10,000.00000	107.2860	11/20/09	09/01/11	10,000.00	10,728.60	-728.60
DUKE ENERGY CAROLINAS									
1ST MTG SER C									
CALLABLE									
CPN 7.000% DUE 11/15/18									
DTD 11/17/08 FC 05/15/09		X	15,000.00000	99.7100	11/12/08	01/20/11	18,168.78	14,956.50	3,212.28
ENTERPRISE PRODUCTS OPER									
NOTE									
CPN 7.500% DUE 02/01/11									
DTD 01/29/01 FC 08/01/01		X	10,000.00000	106.2700	11/12/09	02/01/11	10,000.00	10,627.00	-627.00
FEDERAL HOME LOAN MTG									
GLOBAL NOTES									
CPN 5.500% DUE 09/15/11									
DTD 09/25/01 FC 03/15/02		X	30,000.00000	104.5040	08/27/03	09/15/11	30,000.00	31,351.20	-1,351.20
FEDEX CORP									
SENIOR NOTES									
CALLABLE									
CPN 7.375% DUE 01/15/14									
DTD 01/16/09 FC 07/15/09		X	10,000.00000	100.0000	01/14/09	06/08/11	11,441.80	10,000.00	1,441.80
FORTUNE BRANDS INC									
NOTES									
CPN 5.125% DUE 01/15/11									
DTD 01/12/06 FC 07/15/06		X	20,000.00000	100.0000	02/06/07	01/18/11	20,000.00	20,000.00	0.00
				98.5300				19,706.00	0.00

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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
ISHARES BARCLAYS ETF 1-3 YEAR CREDIT BOND FUND		X	500.00000	105.2060	08/31/10	10/26/11	52,230.75	52,603.00	-372.25
KINDER MORGAN ENERGY NOTES CALLABLE CPN 6.750% DUE 03/15/11 DTD 03/12/01 FC 09/15/01		X	10,000.00000	104.9280	05/19/09	03/15/11	10,000.00	10,492.80	-492.80
KROGER COMPANY NOTES CALLABLE CPN 6.800% DUE 04/01/11 DTD 05/11/01 FC 10/01/01		X	10,000.00000	105.0450	03/18/09	04/01/11	10,000.00	10,504.50	-504.50
LOEWS CORP DEBENTURE NON CALL LIFE CPN 8.875% DUE 04/15/11 DTD 04/15/86 FC 10/15/86		X	10,000.00000	106.6140	04/20/09	04/15/11	10,000.00	10,661.40	-661.40
LOWE'S COMPANIES INC NOTES SEMI ANNUAL PAY CPN 5.000% DUE 10/15/15 DTD 10/06/05 FC 04/15/06		X	15,000.00000	97.9069 96.1490	02/05/07	08/11/11	17,275.75	14,686.04 14,422.35	2,589.71
MARTIN MARIETTA MTLs INC NOTES CALLABLE CPN 6.875% DUE 04/01/11 DTD 03/30/01 FC 10/01/01		X	10,000.00000	104.8690	08/31/09	04/01/11	10,000.00	10,486.90	-486.90
		X	5,000.00000	105.6310	11/20/09	04/01/11	5,000.00	5,281.55	-281.55
Subtotal			15,000.00000				15,000.00	15,768.45	-768.45



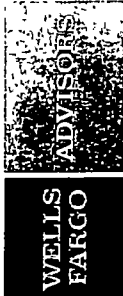
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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
MCCORMICK & CO									
SENIOR NOTES									
CALLABLE									
CPN 5.800% DUE 07/15/11									
DTD 07/13/06 FC 01/15/07		X	15,000.00000	106.2510	11/04/09	07/15/11	15,000.00	15,937.65	-937.65
MERCANTILE SAFE DEP & TR									
NOTES									
CPN 5.700% DUE 11/15/11									
DTD 11/08/01 FC 05/15/02		X	15,000.00000	106.1970	10/13/09	11/15/11	15,000.00	15,929.55	-929.55
MORGAN STANLEY DEAN WIT									
UNSUBORDINATED									
CPN 6.750% DUE 04/15/11									
DTD 04/23/01 FC 10/15/01		X	15,000.00000	105.3130	06/04/09	04/15/11	15,000.00	15,796.95	-796.95
PROGRESS ENERGY INC									
NOTES									
CPN 7.100% DUE 03/01/11									
DTD 02/22/01 FC 09/01/01		X	10,000.00000	106.6190	11/12/09	03/01/11	10,000.00	10,661.90	-661.90
SAFEMAY INC									
NOTES									
CALLABLE									
CPN 6.500% DUE 03/01/11									
DTD 03/05/01 FC 09/01/01		X	15,000.00000	109.0080	04/12/04	03/01/11	15,000.00	16,351.20	-1,351.20
SHELL INTERNATIONAL FIN									
NOTES									
CPN 5.625% DUE 06/27/11									
DTD 06/27/06 FC 12/27/06		X	25,000.00000	105.7900	04/25/08	06/27/11	25,000.00	26,447.50	-1,447.50
STAPLES INC									
NOTES									
CPN 7.750% DUE 04/01/11									
DTD 03/27/09 FC 10/01/09		X	5,000.00000	107.9980	11/13/09	04/01/11	5,000.00	5,399.90	-399.90

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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

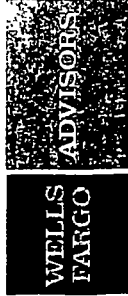
Realized Gain/Loss

Long Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Description									
TYCO INTL GROUP SA									
NOTES									
CALLABLE									
CPN 6 750% DUE 02/15/11									
DTD 02/21/01 FC 08/15/01	X		10,000.00000	100.0000	12/05/08	02/15/11	10,000.00	10,000.00 9,350.00	0.00
US TREASURY									
NOTES									
CPN 4.500% DUE 11/30/11									
DTD 11/30/06 FC 05/31/07	X		50,000.00000	103.9610	12/21/07	11/30/11	50,000.00	51,980.50	-1,980.50
US TREASURY NOTES									
CPN 5.000% DUE 08/15/11									
DTD 08/15/01 FC 02/15/02	X		30,000.00000	99.5510	06/21/06	08/15/11	30,000.00	29,865.30	134.70
US TREASURY									
NOTE									
CPN 4.250% DUE 08/15/14									
DTD 08/15/04 FC 02/15/05	X		10,000.00000	97.8593	12/01/05	08/11/11	11,165.23	9,785.93	1,379.30
	X		5,000.00000	94.0270	06/21/06	08/11/11	5,582.62	4,701.35	881.27
Subtotal			15,000.00000				16,747.85	14,487.28	2,260.57
US TREASURY									
WI									
NOTES									
CPN 4.750% DUE 08/15/17									
DTD 08/15/07 FC 02/15/08	X		50,000.00000	104.2930	12/21/07	06/08/11	58,244.14	52,146.50	6,097.64
US TREASURY NOTES									
CPN 4.250% DUE 08/15/15									
DTD 08/15/05 FC 02/15/06	X		10,000.00000	93.4410	06/21/06	06/22/11	11,253.90	9,344.10	1,909.80
	X		10,000.00000	97.6130	12/20/06	06/22/11	11,253.91	9,761.30	1,492.61
Subtotal			20,000.00000				22,507.81	19,105.40	3,402.41



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Account Number: 2918-6748
H W DURHAM FOUNDATION INC

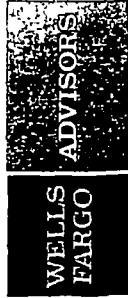
Realized Gain/Loss

Long Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Description									
WADDELL & REED FINANCIAL NOTES									
CPN 5.600% DUE 01/15/11									
DTD 01/13/06 FC 07/15/06	X		10,000.00000	100.2650	06/03/09	01/18/11	10,000.00	10,026.50	-26.50
WILLIAMS PARTNERS LP/WIL SENIOR NOTES									
CALLABLE									
CPN 7.500% DUE 06/15/11									
DTD 12/15/06 FC 06/15/07	X		10,000.00000	106.8750	02/18/10	06/15/11	10,000.00	10,687.50	-687.50
XTO ENERGY INC NOTES									
CPN 5.650% DUE 04/01/16									
DTD 03/30/06 FC 10/01/06	X		15,000.00000	98.0670	01/25/07	06/22/11	17,475.00	14,710.05	2,764.95
TOTAL LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES								\$859,207.70 \$858,000.01	\$21,747.75
TOTAL LONG TERM GAINS OR LOSSES FOR COVERED SECURITIES								\$0.00	\$0.00

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Account Number: 2918-6752
H W DURHAM FOUNDATION INC

Realized Gain/Loss

This information is provided for courtesy purposes only. Each individual taxpayer should consult with a Tax Advisor as to any additional reporting requirements or adjustments. THIS INFORMATION IS NOT VERIFIED OR GUARANTEED BY FIRST CLEARING, LLC TO BE ACCURATE FOR EACH TAXPAYER'S UNIQUE REPORTING REQUIREMENTS. THEREFORE, YOU SHOULD NEVER ASSUME THIS STATEMENT IS ACCURATE IN LIEU OF COMPLETING YOUR TAX RETURN AND CONSULTING WITH YOUR TAX ADVISOR.

Federal tax reporting requirements will create differences between the information presented here and what appears on your Form 1099-B, including but not limited to the following situations:

* Cost basis for many fixed income tax lots has been amortized (for securities purchased at a premium) or accreted (for securities purchased at a discount), when possible, for applicable securities. For securities that were purchased at an Original Issue Discount (OID), only those positions whose cost basis has been adjusted will reflect the impacts of the OID accruals on the original cost basis. The original issue discount amount reported on your Form 1099-OID is not adjusted for market discount, acquisition premium or bond premium. Therefore, the amortization and accretion adjustments used on this statement may not be consistent with the Form 1099-OID amount because the reporting requirements on the Form 1099-OID are different.

* The Original Price represents the unadjusted price of the security. The Original Price can be used to calculate the original unadjusted cost of the security.

* Long-term capital gains reported by a RIC or REIT appear on Form 1099-DIV only, as noted in the instructions for that form.

* Lots closed due to transfers or journals will not be reflected in the Realized Gain/Loss Statement, or on the Form 1099-B.

REALIZED GAIN/LOSS SUMMARY		TOTAL
	COVERED	NONCOVERED
Short term	\$0.00	-\$3,891.32
Long term	\$0.00	\$0.00
Other term	Not applicable	\$0.00
Index options	Not applicable	\$0.00
Total - Realized Gain/Loss	\$0.00	-\$3,891.32

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Account Number: 2918-6752
H W DURHAM FOUNDATION INC

Realized Gain/Loss

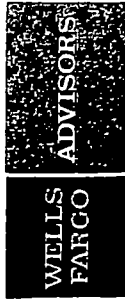
Realized Gain/Loss Detail

Short Term		Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
FNMA PASS THRU									
POOL 995876 DTD 06/01/09									
CPN 6.000% DUE 11/01/38									
DTD 06/01/09 FC 07/25/09		X	14,000.00000	57.8691 109.1093	07/14/10	02/10/11	7,898.35	8,101.68 9,512.70	-203.33
FNMA PASS THRU									
POOL 889579 DTD 05/01/08									
CPN 6.000% DUE 05/01/38									
DTD 05/01/08 FC 06/25/08		X	70,000.00000	43.5554 108.4687	06/15/10	02/08/11	29,666.67	30,488.81 38,370.53	-822.14
		X	22,000.00000	43.5555 108.4687	06/17/10	02/10/11	9,339.34	9,582.21 12,059.32	-242.87
		X	8,000.00000	43.7656 109.1875	07/29/10	02/10/11	3,396.12	3,501.25 4,268.70	-105.13
Subtotal			100,000.00000				42,402.13	43,572.27 54,698.55	-1,170.14
US TREASURY									
BILL									
DUE 09/08/11									
DTD 03/10/11		X	48,000.00000	99.9321	03/10/11	05/31/11	47,993.40	47,967.42	25.98
US TREASURY									
BILL									
DUE 09/01/11									
DTD 03/03/11		X	48,000.00000	99.9859	05/31/11	09/01/11	47,993.25	47,993.25	0.00
US TREASURY									
BILL									
DUE 08/18/11									
DTD 02/17/11		X	12,000.00000	99.9923	05/17/11	07/11/11	11,999.81	11,999.08	0.73



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Account Number: 2918-6752
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
US TREASURY									
NOTES									
CPN 2.375% DUE 07/31/17									
DTD 07/31/10 FC 01/31/11		X	25,000.00000	101.9531	08/13/10	02/04/11	24,261.71	25,488.28	-1,226.57
		X	13,000.00000	102.1171	08/17/10	02/04/11	12,616.10	13,275.23	-659.13
			38,000.00000				36,877.81	38,763.51	-1,885.70
Subtotal									
US TREASURY									
NOTES									
CPN 2.500% DUE 06/30/17									
DTD 06/30/10 FC 12/31/10		X	7,000.00000	103.3984	08/19/10	02/09/11	6,832.11	7,237.89	-405.78
		X	1,000.00000	100.0082	12/08/10	02/09/11	976.02	1,000.08	-24.06
			8,000.00000				7,808.13	8,237.97	-429.84
Subtotal									
US TREASURY									
NOTES									
CPN 2.375% DUE 10/31/14									
DTD 10/31/09 FC 04/30/10		X	7,000.00000	101.9218	06/15/10	02/10/11	7,166.25	7,134.53	31.72
		X	5,000.00000	104.8984	08/23/10	02/10/11	5,118.75	5,244.92	-126.17
		X	5,000.00000	104.4335	09/09/10	02/10/11	5,118.75	5,221.68	-102.93
		X	1,000.00000	105.4257	10/27/10	02/10/11	1,023.75	1,054.26	-30.51
		X	1,000.00000	105.5940	11/10/10	02/10/11	1,023.75	1,055.94	-32.19
			19,000.00000				19,451.25	19,711.33	-260.08
Subtotal									
US TREASURY									
INFLATION INDEX									
CPN 2.375% DUE 04/15/11									
DTD 04/15/06 FC 10/15/06		X	31,000.00000	111.6307	06/15/10	04/15/11	34,473.86	34,605.54	-131.68
				101.7229				34,605.54	
		X	1,000.00000	111.5730	07/29/10	04/15/11	1,112.06	1,115.73	-3.67
				101.5078				1,115.73	

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Account Number: 2918-6752
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Short Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Subtotal			32,000.00000				35,585.92	35,721.27	-135.35
US TREASURY NOTES									
CPN 4.000% DUE 02/15/15									
DTD 02/15/05 FC 08/15/05		X	20,000.00000	108.9648	06/15/10	02/01/11	21,959.38	21,792.97	166.41
TOTAL SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES									
							\$279,969.43	\$283,860.75	-\$3,891.32
TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES									
							\$0.00	\$296,398.05	\$0.00



Annual Statement Information

Account Number: 2918-6754
H W DURHAM FOUNDATION INC



Realized Gain/Loss

This information is provided for courtesy purposes only. Each individual taxpayer should consult with a Tax Advisor as to any additional reporting requirements or adjustments. THIS INFORMATION IS NOT VERIFIED OR GUARANTEED BY FIRST CLEARING, LLC TO BE ACCURATE FOR EACH TAXPAYER'S UNIQUE REPORTING REQUIREMENTS. THEREFORE, YOU SHOULD NEVER ASSUME THIS STATEMENT IS ACCURATE IN LIEU OF COMPLETING YOUR TAX RETURN AND CONSULTING WITH YOUR TAX ADVISOR.

Federal tax reporting requirements will create differences between the information presented here and what appears on your Form 1099-B, including but not limited to the following situations:

- * Cost basis for many fixed income tax lots has been amortized (for securities purchased at a premium) or accreted (for securities purchased at a discount), when possible, for applicable securities. For securities that were purchased at an Original Issue Discount (OID), only those positions whose cost basis has been adjusted will reflect the impacts of the OID accruals on the original cost basis. The original issue discount amount reported on your Form 1099-OID is not adjusted for market discount, acquisition premium or bond premium. Therefore, the amortization and accretion adjustments used on this statement may not be consistent with the Form 1099-OID amount because the reporting requirements on the Form 1099-OID are different.
- * The Original Price represents the unadjusted price of the security. The Original Price can be used to calculate the original unadjusted cost of the security.
- * Long-term capital gains reported by a RIC or REIT appear on Form 1099-DIV only, as noted in the instructions for that form.
- * Lots closed due to transfers or journals will not be reflected in the Realized Gain/Loss Statement, or on the Form 1099-B.

REALIZED GAIN/LOSS SUMMARY		COVERED		NONCOVERED		TOTAL
Short term		\$0.00		-\$2,081.32		-\$2,081.32
Long term		\$0.00		\$92,473.34		\$92,473.34
Other term		Not applicable		\$0.00		\$0.00
Index options		Not applicable		\$0.00		\$0.00
Total - Realized Gain/Loss		\$0.00		\$90,392.02		\$90,392.02

Realized Gain/Loss Detail

Short Term Description	Noncovered	Share Quantity	Adjusted Price/Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/Original Cost	Gain or Loss Amount
CALVERT FUND ULTRA SHORT INCOME FD CLASS Y	X	6,357.23300	15.7301	02/23/11	10/26/11	98,409.97	100,000.00	-1,590.03
	X	13.30200	15.7000	02/28/11	10/26/11	205.91	208.86	-2.95
	X	9.95800	15.7000	04/01/11	10/26/11	154.15	156.35	-2.20
	X	9.92600	15.7101	05/02/11	10/26/11	153.65	155.95	-2.30

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Account Number: 2918-6754
H W DURHAM FOUNDATION INC

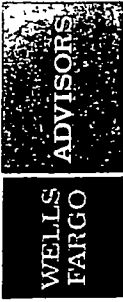
Realized Gain/Loss

Short Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
		X	9.10600	15.7000	05/31/11	10/26/11	140.96	142.87	-1.91
		X	9.02500	15.6500	07/01/11	10/26/11	139.70	141.24	-1.54
		X	9.70700	15.6400	08/01/11	10/26/11	150.26	151.82	-1.56
		X	10.88700	15.5100	08/29/11	10/26/11	168.54	168.86	-0.32
		X	11.50300	15.4600	10/03/11	10/26/11	178.08	177.83	0.25
			6,440.64700				99,701.22	101,303.78	-1,602.56
Subtotal									
FEDERAL NATL MTG ASSN									
NOTES									
CALLABLE									
CPN 3.050% DUE 08/10/15									
DTD 02/10/10 FC 08/10/10									
CALL 02/10/11 @ 100.000									
		X	50,000.00000	100.9575	09/20/10	02/10/11	50,000.00	50,478.76	-478.76
TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES									
TOTAL SHORT TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES									
							\$0.00	\$0.00	\$0.00
							\$149,701.22	\$151,782.54	-\$2,081.32
Long Term									
Description		Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
ABBOTT LABORATORIES									
NOTES									
CALLABLE									
CPN 5.600% DUE 11/30/17									
DTD 11/09/07 FC 05/30/08									
		X	25,000.00000	95.1436	10/24/08	08/12/11	29,825.25	23,785.92	6,039.33
				93.5660				23,391.50	
CITIGROUP INC									
SENIOR NOTES									
CPN 6.500% DUE 01/18/11									
DTD 01/16/01 FC 07/18/01									
		X	50,000.00000	100.0000	03/24/09	01/18/11	50,000.00	50,000.00	0.00
				95.6180				47,809.00	



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Account Number: 2918-6754
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
COCA-COLA CO									
NOTES									
CPN 5.350% DUE 11/15/17									
DTD 11/01/07 FC 05/15/08	X		25,000.00000	94.9973 93.3020	10/24/08	08/05/11	29,517.75	23,749.33 23,325.50	5,768.42
DELL INC									
SR UNSECURED NOTES									
CALLABLE									
CPN 5.650% DUE 04/15/18									
DTD 10/15/08 FC 04/15/09	X		25,000.00000	92.4175 90.2620	12/18/08	08/05/11	28,844.25	23,104.39 22,565.50	5,739.86
GENERAL ELEC CAP CORP									
GLOBAL STEP CPN NOTES									
SEMI ANNL PAY - CALLABLE									
CPN 6.000% DUE 05/15/15									
DTD 05/15/03 FC 11/15/03									
CALL 05/15/12 @ 100.000									
	X		25,000.00000	99.7500	06/19/08	11/15/11	25,000.00	24,937.50	62.50
	X		25,000.00000	91.8630	10/24/08	11/15/11	25,000.00	22,965.75	2,034.25
	X		25,000.00000	91.8630	10/24/08	11/15/11	25,000.00	22,965.75	2,034.25
Subtotal			75,000.00000				75,000.00	70,869.00	4,131.00
HEWLETT-PACKARD CO									
GLOBAL NOTES									
CALLABLE									
CPN 5.400% DUE 03/01/17									
DTD 02/27/07 FC 09/01/07	X		25,000.00000	91.0645 87.6100	10/27/08	08/05/11	28,979.25	22,766.13 21,902.50	6,213.12
ISHARES BARCLAYS									
MBS BOND FUND									
	X		200.00000	109.7200	08/31/10	10/27/11	21,489.54	21,944.00	-454.46
	X		75.00000	109.7200	08/31/10	10/27/11	8,058.58	8,229.00	-170.42
	X		25.00000	109.7200	08/31/10	10/27/11	2,686.20	2,743.00	-56.80

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Account Number: 2918-6754
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Subtotal			300.00000				32,234.32	32,916.00	-681.68
ISHARES BARCLAYS AGGREGATE BOND FUND		X	425.00000	100.9608	04/22/09	10/27/11	46,385.18	42,908.34	3,476.84
ISHARES BARCLAYS TIPS BOND FUND		X	500.00000	100.3754	04/22/09	05/05/11	55,448.94	50,187.70	5,261.24
JOHN DEERE CAPITAL CORP GLOBAL BONDS CPN 5.100% DUE 01/15/13 DTD 01/10/03 FC 07/15/03		X	50,000.00000	97.6262 94.0850	10/27/08	06/22/11	53,356.50	48,813.11 47,042.50	4,543.39
JOHN DEERE CAPITAL CORP MEDIUM TERM NOTES CPN 4.500% DUE 04/03/13 DTD 04/03/08 FC 10/03/08		X	50,000.00000	98.9900	03/24/09	08/15/11	53,090.00	49,495.00	3,595.00
KIMBERLY-CLARK NOTES CALLABLE CPN 6.125% DUE 08/01/17 DTD 07/30/07 FC 02/01/08		X	35,000.00000	97.4287 96.6190	11/04/08	08/05/11	42,327.25	34,100.06 33,816.65	8,227.19
LOWE'S COMPANIES INC NOTES CPN 5.400% DUE 10/15/16 DTD 10/10/06 FC 04/15/07		X	25,000.00000	91.8760 88.4880	10/24/08	08/05/11	29,195.00	22,969.01 22,122.00	6,225.99
MERCK & CO SENIOR NOTES NON CALL LIFE CPN 6.400% DUE 03/01/28 DTD 03/01/98 FC 09/01/98		X	50,000.00000	98.0570	11/04/08	08/11/11	62,880.00	49,028.50	13,851.50



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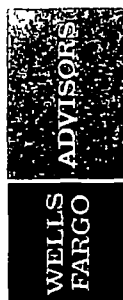


Account Number: 2918-6754
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
Description									
WAL-MART STORES INC									
NOTES									
CPN 5.375% DUE 04/05/17									
DTD 04/05/07 FC 10/05/07	X		25,000.00000	96.4965 95.2530	10/24/08	08/05/11	29,255.65	24,124.14 23,813.25	5,131.51
WALT DISNEY COMPANY									
NOTES									
CPN 6.000% DUE 07/17/17									
DTD 07/17/07 FC 01/17/08	X		35,000.00000	96.7866 95.7100	11/04/08	08/05/11	41,826.75	33,875.34 33,498.50	7,951.41
WYETH									
NOTES									
CALLABLE									
CPN 5.500% DUE 02/01/14									
DTD 12/16/03 FC 08/01/04	X		50,000.00000	97.3185 95.2860	10/27/08	06/22/11	55,658.50	48,659.28 47,643.00	6,999.22
TOTAL LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES							\$743,824.59	\$651,351.25 \$642,334.44	\$92,473.34
TOTAL LONG TERM GAINS OR LOSSES FOR COVERED SECURITIES							\$0.00	\$0.00	\$0.00

Annual Statement Information



Account Number: 2918-6756
H W DURHAM FOUNDATION INC

Realized Gain/Loss

This information is provided for courtesy purposes only. Each individual taxpayer should consult with a Tax Advisor as to any additional reporting requirements or adjustments. THIS INFORMATION IS NOT VERIFIED OR GUARANTEED BY FIRST CLEARING, LLC TO BE ACCURATE FOR EACH TAXPAYER'S UNIQUE REPORTING REQUIREMENTS. THEREFORE, YOU SHOULD NEVER ASSUME THIS STATEMENT IS ACCURATE IN LIEU OF COMPLETING YOUR TAX RETURN AND CONSULTING WITH YOUR TAX ADVISOR.

Federal tax reporting requirements will create differences between the information presented here and what appears on your Form 1099-B, including but not limited to the following situations:

* Cost basis for many fixed income tax lots has been amortized (for securities purchased at a premium) or accreted (for securities purchased at a discount), when possible, for applicable securities. For securities that were purchased at an Original Issue Discount (OID), only those positions whose cost basis has been adjusted will reflect the impacts of the OID accruals on the original cost basis. The original issue discount amount reported on your Form 1099-OID is not adjusted for market discount, acquisition premium or bond premium. Therefore, the amortization and accretion adjustments used on this statement may not be consistent with the Form 1099-OID amount because the reporting requirements on the Form 1099-OID are different.

* The Original Price represents the unadjusted price of the security. The Original Price can be used to calculate the original unadjusted cost of the security.

* Long-term capital gains reported by a RIC or REIT appear on Form 1099-DIV only, as noted in the instructions for that form.

* Lots closed due to transfers or journals will not be reflected in the Realized Gain/Loss Statement, or on the Form 1099-B.

REALIZED GAIN/LOSS SUMMARY

	COVERED	NONCOVERED	TOTAL
Short term	\$0.00	-\$1,394.41	-\$1,394.41
Long term	\$0.00	\$55,557.09	\$55,557.09
Other term	Not applicable	\$0.00	\$0.00
Index options	Not applicable	\$0.00	\$0.00
Total - Realized Gain/Loss	\$0.00	\$54,162.68	\$54,162.68

Realized Gain/Loss Detail

Short Term Description BOND FUND OF AMERICA CL A	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
	X	2,052.54500	12.4400	09/22/10	01/12/11	25,000.00	25,533.66	-533.66
	X	760.96000	12.4400	09/22/10	01/21/11	9,253.27	9,466.34	-213.07
	X	0.60100	12.4200	09/27/10	01/21/11	7.30	7.47	-0.17
	X	2,003.20500	12.4800	09/28/10	01/21/11	24,358.98	25,000.00	-641.02
	X	14.03800	12.5000	10/26/10	01/21/11	170.70	175.47	-4.77

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Account Number: 2918-6756
H W DURHAM FOUNDATION INC

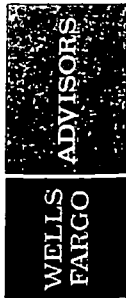
Realized Gain/Loss

Short Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/Original Cost	Gain or Loss Amount
		X	15.09200	12.3200	11/26/10	01/21/11	183.52	185.93	-2.41
		X	16.99200	12.1200	12/27/10	01/21/11	206.63	205.94	0.69
	Subtotal		4,863.43300				59,180.40	60,574.81	-1,394.41
TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES									
							\$0.00	\$0.00	\$0.00
							\$59,180.40	\$60,574.81	-\$1,394.41

Long Term Description	Noncovered	Share Quantity	Adjusted Price/Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/Original Cost	Gain or Loss Amount
AMERICAN FUNDS	X	20,000.00000	1.0000	10/03/08	02/23/11	20,000.00	20,000.00	0.00
MONEY MARKET FUND	X	4,982.91000	1.0000	10/03/08	02/23/11	4,982.91	4,982.91	0.00
CLASS A	X	10,017.09000	1.0000	10/09/08	02/23/11	10,017.09	10,017.09	0.00
	X	15,000.00000	1.0000	10/09/08	02/23/11	15,000.00	15,000.00	0.00
	X	35,000.00000	1.0000	10/09/08	02/24/11	35,000.00	35,000.00	0.00
	X	25,000.00000	1.0000	10/09/08	02/24/11	25,000.00	25,000.00	0.00
	X	25,000.00000	1.0000	10/09/08	02/24/11	25,000.00	25,000.00	0.00
	X	41,336.51000	1.0000	10/09/08	11/09/11	41,336.51	41,336.51	0.00
	X	83,663.49000	1.0000	10/10/08	11/09/11	83,663.49	83,663.49	0.00
	X	87,390.27000	1.0000	10/10/08	11/09/11	87,390.27	87,390.27	0.00
	X	12,609.73000	1.0000	10/10/08	11/09/11	12,609.73	12,609.73	0.00
	X	59,850.86000	1.0000	10/10/08	11/09/11	59,850.86	59,850.86	0.00
	X	5,449.14000	1.0000	10/10/08	11/09/11	5,449.14	5,449.14	0.00
	X	27,000.00000	1.0000	10/10/08	11/09/11	27,000.00	27,000.00	0.00
	X	7,977.99000	1.0000	10/10/08	11/09/11	7,977.99	7,977.99	0.00
	X	17,022.01000	1.0000	10/10/08	11/09/11	17,022.01	17,022.01	0.00



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Account Number: 2918-6756
H W DURHAM FOUNDATION INC

Realized Gain/Loss

Long Term Description	Continued	Noncovered	Share Quantity	Adjusted Price/ Original Price	Date Acquired	Close Date	Proceeds	Adjusted Cost/ Original Cost	Gain or Loss Amount
		X	879.48000	1.0000	10/10/08	11/09/11	879.48	879.48	0.00
		X	323.09000	1.0000	11/03/08	11/09/11	323.09	323.09	0.00
		X	287.62000	1.0000	12/01/08	11/09/11	287.62	287.62	0.00
		X	11.44000	1.0000	12/23/08	11/09/11	11.44	11.44	0.00
		X	177.73000	1.0000	01/02/09	11/09/11	177.73	177.73	0.00
		X	0.40000	1.0000	02/02/09	11/09/11	0.40	0.40	0.00
		X	20,320.24000	1.0000	03/26/09	11/09/11	20,320.24	20,323.63	-3.39
Subtotal			499,300.00000				499,300.00	499,303.39	-3.39
FRONTIER FUND DIVERSIFIED-SERIES 1		X	4,288.10030	93.2814	02/18/10	04/26/11	455,560.48	400,000.00	55,560.48
TOTAL LONG TERM GAINS OR LOSSES FOR COVERED SECURITIES									\$0.00
TOTAL LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES									\$899,303.39
									\$55,557.09