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990-PF

Form
Department of the Treasury
Internal Revenue ServiceReturn of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No. 1545-0052

2011

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

05/01, 2011, and ending

04/30, 2012

Name of foundation J KENT PERLEY AND BESSIE V PERLEY FUND

A Employer identification number

429761018

03-0276834

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

B Telephone number (see instructions)

PO BOX 477

(802) 860-5407

City or town, state, and ZIP code

CONCORD, NH 03302-0477

G Check all that apply:

Initial return

Initial return of a former public charity

Final return

Amended return

Address change

Name change

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

I Fair market value of all assets at end

J Accounting method: ☒ Cash ☐ Accrual

of year (from Part II, col. (c), line

☐ Other (specify) _____

16) \$ 959,933.

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

C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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)
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check ☒ if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	26,226.	26,226.		STMT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	23,428.			
b Gross sales price for all assets on line 6a	279,872.			
7 Capital gain net income (from Part IV, line 2)		23,428.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	49,654.	49,654.		
13 Compensation of officers, directors, trustees, etc.	8,870.	5,914.		2,957.
14 Other employee salaries and wages		NONE	NONE	
15 Pension plans, employee benefits		NONE	NONE	
16a Legal fees (attach schedule)	32.	21.	NONE	10.
b Accounting fees (attach schedule)	575.	383.	NONE	192.
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see instructions)	2,275.	253.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings		NONE	NONE	
22 Printing and publications		NONE	NONE	
23 Other expenses (attach schedule)				
24 Total operating and administrative expenses. Add lines 13 through 23	11,752.	6,571.	NONE	3,159.
25 Contributions, gifts, grants paid	47,260.			47,260.
26 Total expenses and disbursements. Add lines 24 and 25	59,012.	6,571.	NONE	50,419.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-9,358.			
b Net investment income (if negative, enter -0-)		43,083.		
c Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see instructions.

JSA

Form 990-PF (2011)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments		30,316.	38,460.	38,460.
	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 schedule) ▶ Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U.S. and state government obligations (attach schedule) . .		26,841.		
	b	Investments - corporate stock (attach schedule) . STMT 7 .		494,166.	461,688.	547,607.
	c	Investments - corporate bonds (attach schedule) . STMT 10 .		329,664.	371,742.	373,866.
	11	Investments - land, buildings, and equipment basis Less: accumulated depreciation (attach schedule) ▶				
	12	Investments - mortgage loans				
	13	Investments - other (attach schedule)				
	14	Land, buildings, and equipment basis Less: accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		880,987.	871,890.	959,933.	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons .				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)				
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. ☒ X					
	27	Capital stock, trust principal, or current funds		880,987.	871,890.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds . .				
30	Total net assets or fund balances (see instructions)		880,987.	871,890.		
31	Total liabilities and net assets/fund balances (see instructions)		880,987.	871,890.		

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	880,987.
2	Enter amount from Part I, line 27a	2	-9,358.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 11	3	261.
4	Add lines 1, 2, and 3	4	871,890.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	871,890.

Form 990-PF (2011)

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a PUBLICLY TRADED SECURITIES					
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 271,694.		256,444.	15,250.		
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a			15,250.		
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)			2	23,428.	
If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7					
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):			3		
If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8					

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 (col. (b) divided by col. (c))
2010	47,371.	930,064.	0.050933
2009	42,541.	877,247.	0.048494
2008	36,552.	837,759.	0.043631
2007	16,883.	1,024,156.	0.016485
2006			

2 Total of line 1, column (d)	2	0.159543
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	0.039886
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	943,259.
5 Multiply line 4 by line 3	5	37,623.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	431.
7 Add lines 5 and 6	7	38,054.
8 Enter qualifying distributions from Part XII, line 4	8	50,419.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1.		1	431.
Date of ruling or determination letter: _____ (attach copy of letter if necessary - see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b.			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		2	
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	431.
3 Add lines 1 and 2.		4	NONE
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	431.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		6	
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011.	6a	996.	
b Exempt foreign organizations - tax withheld at source.	6b	NONE	
c Tax paid with application for extension of time to file (Form 8868).	6c	NONE	
d Backup withholding erroneously withheld.	6d		
7 Total credits and payments. Add lines 6a through 6d.	7	996.	
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	565.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax ☒ 432. Refunded ☐ 133.	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		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?		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?		X
If "Yes," attach a detailed description of the activities		
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.		X
4a 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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
If "Yes," attach the statement required by General Instruction T.		
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? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ VT		
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.	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.		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses.		X

Form 990-PF (2011)

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?	13	X	
Website address <u>N/A</u>				
14	The books are in care of <u>TD Bank, N.A.</u> Telephone no. <u>(802) 860-5407</u> Located at <u>111 MAIN STREET, BURLINGTON, VT</u> ZIP + 4 <u>05401</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>15</u>			
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	Yes	No
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>				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	
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></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	X
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></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	
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

Form 990-PF (2011)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ NoOrganizations 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? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870.**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**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 12		8,870.	-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		NONE	NONE	NONE

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

Form 990-PF (2011)

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments. See instructions.	
3 NONE	
Total. Add lines 1 through 3	

Form 990-PF (2011)

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	927,956.
b	Average of monthly cash balances	1b	29,667.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	957,623.
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	NONE
3	Subtract line 2 from line 1d	3	957,623.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	14,364.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	943,259.
6	Minimum investment return. Enter 5% of line 5	6	47,163.

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	47,163.
2a	Tax on investment income for 2011 from Part VI, line 5 2a	431.	
b	Income tax for 2011. (This does not include the tax from Part VI.) 2b		
c	Add lines 2a and 2b	2c	431.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	46,732.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	46,732.
6	Deduction from distributable amount (see instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	46,732.

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	50,419.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	50,419.
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	431.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	49,988.

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				46,732.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			36,606.	
b Total for prior years: 20 <u>09</u> , 20 <u> </u> , 20 <u> </u>		NONE		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	NONE			
b From 2007	NONE			
c From 2008	NONE			
d From 2009	NONE			
e From 2010	NONE			
f Total of lines 3a through e	NONE			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ <u>50,419.</u>				
a Applied to 2010, but not more than line 2a . . .			36,606.	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2011 distributable amount				13,813.
e Remaining amount distributed out of corpus . .	NONE			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	NONE			
b Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
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		NONE		
d Subtract line 6c from line 6b. Taxable amount - see instructions		NONE		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instructions				
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				32,919.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . .	NONE			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions) . . .	NONE			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9:				
a Excess from 2007 . . .	NONE			
b Excess from 2008 . . .	NONE			
c Excess from 2009 . . .	NONE			
d Excess from 2010 . . .	NONE			
e Excess from 2011 . . .	NONE			

Form 990-PF (2011)

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

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

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

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 <i>Paid during the year</i> SEE STATEMENT 14				
Total			▶ 3a	47,260.
b <i>Approved for future payment</i>				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

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

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 (2) Other assets b Other transactions: (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees 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.		Yes	No
	1a(1)			X
	1a(2)			X
	1b(1)			X
	1b(2)			X
	1b(3)			X
	1b(4)			X
	1b(5)			X
	1b(6)			X
	1c			X

[illegible]

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.

▶ Laura J Greene

05/16/2012

► Trustee

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
---	------

Firm's name ▶

Firm's EIN ►

Firm's address ►

Phone no

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
AT&T INC	213.	213.
ABBOTT LABS CO	389.	389.
INVESCO INTERNATIONAL GROWTH FUND INSTIT	970.	970.
AMERICAN EXPRESS CO	149.	149.
AMERICAN TOWER CORP CL A	28.	28.
APACHE CORPORATION	52.	52.
APPLIED MATERIALS	38.	38.
ARCHER DANIELS MIDLAND CO	114.	114.
CAPITAL ONE FINANCIAL CORP	33.	33.
CHEVRONTXACO CORP	401.	401.
CIMAREX ENERGY CO	5.	5.
CISCO SYSTEMS INC	120.	120.
COLGATE PALMOLIVE CO	215.	215.
DANAHER CORP	15.	15.
DIAGEO PLC ADR	285.	285.
WALT DISNEY CO	116.	116.
ECOLAB INC COM	116.	116.
EMERSON ELECTRIC CO	38.	38.
EXELON CORP COM	289.	289.
EXXON MOBIL CORP COM	301.	301.
FIDELITY HIGH INCOME FUND #455	4,166.	4,166.
HARBOR INTERNATIONAL FUND	1,341.	1,341.
HARTFORD MUT FDS INC MIDCAP FD CL Y FD#	41.	41.
HEWLETT PACKARD CO	94.	94.
HOME DEPOT INC	286.	286.
ILLINOIS TOOL WORKS	220.	220.
INTL BUSINESS MACHINES CORP	173.	173.
J P MORGAN CHASE & CO	286.	286.
PERKINS MID CAP VALUE FUND INSTITUTIONAL	167.	167.
JOHNSON & JOHNSON CO	304.	304.
L-3 COMMUNICATIONS HLDGS INC COM	111.	111.
LINEAR TECHNOLOGY CORP COM	55.	55.

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
MARATHON OIL	144.	144.
MERCK & CO INC NEW COM	168.	168.
MICROSOFT CORPORATION	272.	272.
NEXTERA ENERGY INC COM	48.	48.
ORACLE CORPORATION	68.	68.
PNC BANK CORP	46.	46.
PEPSICO INCORPORATED	88.	88.
PIMCO INVESTMENT GRADE CORP BOND FUND CL	5,872.	5,872.
PROCTER & GAMBLE CO	323.	323.
QUALCOMM INCORPORATED	103.	103.
ROYCE SPECIAL EQUITY FD #327	48.	48.
SPECTRA ENERGY CORP	70.	70.
STARBUCKS CORP	61.	61.
STRYKER CORP	29.	29.
SYSCO CORP COM	128.	128.
TD ASSET MGMT MONEY MKT INSTL SVC #5	7.	7.
TARGET CORP COM	170.	170.
3M CO	228.	228.
TOYOTA MOTOR CORP ADR	30.	30.
US BANCORP DEL NEW	187.	187.
UNION PACIFIC CORP	54.	54.
UNITED PARCEL SERVICE	34.	34.
U S TREAS. BONDS 4.25% 11/15/2014 DTD 11	205.	205.
U S TREASURY NOTE 4.125% 08/31/2012 DTD	118.	118.
UNITED TECHNOLOGIES	200.	200.
UNITEDHEALTH GROUP INC COM	62.	62.
VALERO ENERGY CORP COM	90.	90.
VANGUARD SHORT-TERM FEDERAL #49	1,036.	1,036.
VANGUARD INTERM-TERM TREAS FD #35	2,555.	2,555.
VANGUARD INFLATION PROTECTED SEC 119	1,801.	1,801.
VERIZON COMMUNICATIONS	371.	371.
WELLS FARGO & CO NEW	165.	165.
YUM BRANDS INC	116.	116.

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

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
ACE LTD	198.	198.
	-----	-----
TOTAL	26,226.	26,226.
	=====	=====

FORM 990PF, PART I - LEGAL FEES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
LEGAL ADS; COURT OR BOND FEES	32.	21.		10.
TOTALS	32.	21.	NONE	10.
	=====	=====	=====	=====

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

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
TAX PREPARATION FEE (NON-ALLOC	575.	383.		192.
TOTALS	575.	383.	NONE	192.
	=====	=====	=====	=====

FORM 990PF, PART I - TAXES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FOREIGN TAXES	2.	2.
FEDERAL TAX PAYMENT - PRIOR YE	1,026.	
FEDERAL ESTIMATES - PRINCIPAL	996.	
FOREIGN TAXES ON QUALIFIED FOR	251.	251.
	-----	-----
TOTALS	2,275.	253.
	=====	=====

J KENT PERLEY AND BESSIE V PERLEY FUND
 FORM 990PF, PART II - CORPORATE STOCK
 =====

03-0276834

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
80 BED BATH & BEYOND IND	4,893.	5,631.
214 WALT DISNEY CO	7,061.	9,226.
235 HOME DEPOT INC	5,580.	12,171.
180 STARBUCKS CORP	7,169.	10,327.
110 YUM BRANDS INC	4,169.	8,000.
200 ARCHER DANIELS MIDLAND CO	7,012.	6,166.
100 COLGATE PALMOLIVE CO	7,200.	9,894.
70 DIAGEO PLC ADR	4,313.	7,078.
94 PROCTER & GAMBLE CO	5,572.	5,982.
140 SYSCO CORP	4,379.	4,046.
79 APACHE CORPORATION	7,126.	7,579.
96 CHEVRON CORPORATION	7,195.	10,230.
100 EXXON MOBIL CORP	4,814.	8,634.
280 MARATHON OIL CORP	8,437.	8,215.
210 SPECTRA ENERGY CORP	6,272.	6,455.
170 INVESCO LTD	4,462.	4,223.
90 ACE LTD	5,034.	6,837.
120 AMERICAN EXPRESS CO	3,781.	7,225.
40 BERKSHIRE HATHAWAY INC DEL	3,119.	3,218.
60 CAPITAL ONE FINANCIAL CORP	2,941.	3,329.
190 J P MORGAN CHASE & CO	8,945.	8,166.
90 METLIFE INC	3,455.	3,243.
110 PNC BANK CORP	6,270.	7,295.
270 US BANCORP DEL NEW	6,337.	8,686.
230 WELLS FARGO & CO NEW	4,047.	7,685.
140 ABBOTT LABS CO	6,855.	8,688.
100 CELGENE CORP	6,732.	7,293.
160 GILEAD SCIENCES INC	6,347.	8,323.
101 JOHNSON & JOHNSON CO	3,020.	6,575.

J KENT PERLEY AND BESSIE V PERLEY FUND
 FORM 990PF, PART II - CORPORATE STOCK
 =====

03-0276834

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
230 MERCK & CO INC NEW COM	8,337.	9,025.
160 DANAHER CORP SHS BEN INT	8,459.	8,675.
150 ILLINOIS TOOL WKS INC	5,555.	8,607.
50 L-3 COMMUNICATIONS HLDGS IN	3,877.	3,677.
72 3M CO	5,332.	6,434.
40 UNION PACIFIC CORP	4,050.	4,498.
50 UNITED PARCEL SERVICE CL B	3,662.	3,907.
49 UNITED TECHNOLOGIES	1,439.	4,000.
140 CHECK POINT SOFTWARE TECH	7,970.	8,138.
130 BORADCOM CORP	5,005.	4,758.
390 CISCO SYSTEMS INC	6,843.	7,860.
319 EMC CORPORATION/MASS	4,111.	8,999.
60 INTL BUSINESS MACHINES CORP	10,015.	12,425.
351 MICROSOFT CORPORATION	8,749.	11,237.
110 NETAPP INC	5,024.	4,271.
120 ORACLE CORPORATION	3,718.	3,528.
110 QUALCOMM INCORPORATED	5,245.	7,021.
100 ECOLAB INC	5,034.	6,369.
150 FREEPORT-MCMORAN COOPER	6,717.	5,745.
158 VERIZON COMMUNICATIONS	4,654.	6,380.
70 NEXTERA ENERGY INC	4,119.	4,505.
1961.009 INVESCO INTERNATIONAL	51,869.	55,163.
412.696 BUFFALO SMALL CP FD	10,012.	11,832.
899.687 HARBOR INTERNATIONAL F	50,751.	53,387.
438.510 HARTFORD MUT FDS INC	9,853.	9,923.
472.696 PERKINS MID CAP VALUE	10,154.	10,347.
514.781 ROYCE SPECIAL EQUITY F	10,208.	11,150.
280 SPDR GOLD TRUST	38,389.	45,326.

J KENT PERLEY AND BESSIE V PERLEY FUND
FORM 990PF, PART II - CORPORATE STOCK
=====

03-0276834

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
TOTALS	----- 461,688. =====	----- 547,607. =====

J KENT PERLEY AND BESSIE V PERLEY FUND
 FORM 990PF, PART II - CORPORATE BONDS
 =====

03-0276834

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
8583.967 FIDELITY HIGH INCOME	76,104.	77,685.
10091.715 PIMCO INVESTMENT GRA	112,354.	108,486.
4683.283 VANGUARD SHORT-TERM	50,807.	50,814.
7459.422 VANGUARD INTERMEDIATE	86,658.	87,051.
3446.057 VANGUARD INFLATION PR	45,819.	49,830.
	-----	-----
TOTALS	371,742.	373,866.
	=====	=====

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES
=====DESCRIPTION
-----AMOUNT

PRIOR YEAR ACCRUAL ADJUSTMENT

261.

TOTAL

261.
=====

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

=====

OFFICER NAME:

TD Wealth

ADDRESS:

111 Main Street

Burlington, VT 05401

TITLE:

Trustee

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 1

COMPENSATION 8,870.

TOTAL COMPENSATION:

8,870.

=====

AVERAGE MONTHLY FMV - 990PF, PART X, LINES 1a-1c

=====

MONTH -----	LINE 1a-FMV SECURITIES -----	LINE 1b-FMV CASH BALANCES -----	LINE 1c-FMV OTHER ASSETS -----
JANUARY	946,515.	28,677.	
FEBRUARY	964,606.	29,281.	
MARCH	976,427.	30,144.	
APRIL	921,476.	38,460.	
MAY	950,573.	30,700.	
JUNE	937,226.	31,976.	
JULY	929,321.	33,117.	
AUGUST	900,425.	31,848.	
SEPTEMBER	843,416.	43,530.	
OCTOBER	931,329.	13,882.	
NOVEMBER	923,809.	16,046.	
DECEMBER	910,348.	28,344.	
	-----	-----	-----
TOTAL	11,135,471.	356,005.	
	=====	=====	=====
AVERAGE FMV	927,956.	29,667.	
	=====	=====	=====

FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID

=====

RECIPIENT NAME:

BELLOWS FREE ACADEMY

ADDRESS:

UNION HIGH SCHOOL DISTRICT #48

ST. ALBANS, VT 05478

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

MAINTENANCE OF ATHLETIC FACILITY

FOUNDATION STATUS OF RECIPIENT:

SCHOOL

AMOUNT OF GRANT PAID 47,260.

TOTAL GRANTS PAID:

47,260.

=====