Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning , 2012, and ending , 20

Name of foundation HERMES FAMILY FOUNDATION	**A Employer identification number** 51-0172567
Number and street (or P O. box number if mail is not delivered to street address) C/O PERKINSON LAW PLLC 4622 COUNTRY CLUB ROAD, STE 270 Room/suite	**B** Telephone number (see instructions) (336) 794-6020
City or town, state, and ZIP code WINSTON-SALEM, NC 27104	**C** If exemption application is pending, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 930,994.

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

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

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

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	16,260.	16,260.		ATCH 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	97,544.			
	b	Gross sales price for all assets on line 6a 379,724.				
	7	Capital gain net income (from Part IV, line 2)		97,544.		
	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	113,804.	113,804.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) ATCH 2	7,073.			7,073.
	b	Accounting fees (attach schedule) ATCH 3	5,453.	2,727.		2,726.
	c	Other professional fees (attach schedule) *	7,659.	7,659.		
	17	Interest				
	18	Taxes (attach schedule) (see instructions) ATCH 5	700.			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 6	28.	14.		14.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	20,913.	10,400.		9,813.
	25	Contributions, gifts, grants paid	100,000.			100,000.
	26	**Total expenses and disbursements.** Add lines 24 and 25	120,913.	10,400.	0	109,813.
	27	Subtract line 26 from line 12.				
	a	Excess of revenue over expenses and disbursements	-7,109.			
	b	**Net investment income** (if negative, enter -0-)		103,404.		
	c	**Adjusted net income** (if negative, enter -0-)				

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*ATCH 4

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Line	Description	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1		Cash - non-interest-bearing	5,897.	5,143.	5,143.
	2		Savings and temporary cash investments	26,238.	5,214.	5,214.
	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)			
		b	Investments - corporate stock (attach schedule) ATCH 7	710,879.	725,430.	920,637.
		c	Investments - corporate bonds (attach schedule)			
	11		Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12		Investments - mortgage loans			
	13		Investments - other (attach schedule)			
	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)	743,014.	735,787.	930,994.
Liabilities	17		Accounts payable and accrued expenses			
	18		Grants payable			
	19		Deferred revenue			
	20		Loans from officers, directors, trustees, and other disqualified persons			
	21		Mortgages and other notes payable (attach schedule)			
	22		Other liabilities (describe ▶)			
	23		**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances			**Foundations that follow SFAS 117, check here ▶ ☐ 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	743,014.	735,787.	
	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)	743,014.	735,787.	
	31		**Total liabilities and net assets/fund balances** (see instructions)	743,014.	735,787.	

Part III Analysis of Changes in Net Assets or Fund Balances

	Description	Line	Amount
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	743,014.
2	Enter amount from Part I, line 27a	2	-7,109.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	735,905.
5	Decreases not included in line 2 (itemize) ▶ ATCH 8	5	118.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	735,787.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	SEE PART IV SCHEDULE			
b				
c				
d				
e				

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	97,544.
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	0

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))
2011	104,802.	1,007,556.	0.104016
2010	113,339.	970,707.	0.116759
2009	99,625.	1,004,390.	0.099190
2008	112,822.	925,448.	0.121911
2007	113,574.	1,466,541.	0.077443

2	**Total** of line 1, column (d)	2	0.519319
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	0.103864
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	1,006,699.
5	Multiply line 4 by line 3	5	104,560.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,034.
7	Add lines 5 and 6	7	105,594.
8	Enter qualifying distributions from Part XII, line 4	8	109,813.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	1,034.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	1,034.
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	1,034.
6	Credits/Payments		
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a: 1,154.		
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	1,154.
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	120.
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶ 120. **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ ______ (2) On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ VA,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ NONE

14 The books are in care of ▶ JOHN R. PERKINSON JR Telephone no ▶ 336-794-6020

Located at ▶ 4622 COUNTRY CLUB ROAD, STE 270 WINSTON-SALEM, NC ZIP+4 ▶ 27104

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

		Line	Yes	No
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

		Line	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)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? ☐ Yes ☒ No			
	If "Yes," list the years ▶			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2012 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 2012)*	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 2012?	4b		X

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

			Yes	No
5a During the year did the foundation pay or incur any amount to				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes	☒ No		
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes	☒ No		
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes	☒ No		
(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	☐ Yes	☒ No		
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes	☒ No		
b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?		**5b**		
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	☐ Yes	☐ No		
If "Yes," attach the statement required by Regulations section 53 4945-5(d)				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes	☒ No		
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		**6b**		X
If "Yes" to 6b, file Form 8870				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes	☒ No		
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?		**7b**		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATCH 9		0	0	0

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

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

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

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
NOT APPLICABLE		0

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NOT APPLICABLE	
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 NOT APPLICABLE	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3 . . . . ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes		
a	Average monthly fair market value of securities	1a	993,061.
b	Average of monthly cash balances	1b	28,968.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,022,029.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,022,029.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	15,330.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,006,699.
6	**Minimum investment return.** Enter 5% of line 5	6	50,335.

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	50,335.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	1,034.		
b	Income tax for 2012 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	1,034.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	49,301.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	49,301.
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	49,301.

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	109,813.
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	109,813.
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	1,034.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	108,779.

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 2011	(c) 2011	(d) 2012
1	Distributable amount for 2012 from Part XI, line 7				49,301.
2	Undistributed income, if any, as of the end of 2012				
a	Enter amount for 2011 only				
b	Total for prior years 20 10 ,20 09 ,20 08				
3	Excess distributions carryover, if any, to 2012				
a	From 2007 113,633.				
b	From 2008 66,720.				
c	From 2009 87,752.				
d	From 2010 66,292.				
e	From 2011 56,504.				
f	**Total** of lines 3a through e	390,901.			
4	Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 109,813.				
a	Applied to 2011, but not more than line 2a				
b	Applied to undistributed income of prior years (Election required - see instructions)				
c	Treated as distributions out of corpus (Election required - see instructions)				
d	Applied to 2012 distributable amount				49,301.
e	Remaining amount distributed out of corpus	60,512.			
5	Excess distributions carryover applied to 2012 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	451,413.			
b	Prior years' undistributed income Subtract line 4b from line 2b				
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d	Subtract line 6c from line 6b Taxable amount - see instructions				
e	Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount - see instructions				
f	Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8	Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	113,633.			
9	**Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	337,780.			
10	Analysis of line 9				
a	Excess from 2008 66,720.				
b	Excess from 2009 87,752.				
c	Excess from 2010 66,292.				
d	Excess from 2011 56,504.				
e	Excess from 2012 60,512.				

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 2012, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

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 or e-mail of the person to whom applications should be addressed

ATCH 10

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

ATCH 11

c Any submission deadlines

NONE

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

ONLY SEC. 501(C)(3) AND SEC. 170(C) ENTITIES ARE CONSIDERED

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ATCH 12				
Total ▶ 3a				100,000.
b *Approved for future payment*				
Total ▶ 3b				

JSA
2E1491 1 000
24441Z 530B V 12-4.6F

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	16,260.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	97,544.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				113,804.	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 113,804.

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

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

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

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

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

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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

Doris H. Crumpler | 5-9-2013 | President
Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
JOHN R. PERKINSON, JR.	John R. Perkinson Jr.	5/9/13		P00967463
Firm's name ▶ PERKINSON LAW, PLLC			Firm's EIN ▶ 45-2105143	
Firm's address ▶ 4622 COUNTRY CLUB ROAD, #270 WINSTON-SALEM, NC 27104			Phone no 336-794-6020	

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		SEE UBS STATEMENT PROPERTY TYPE: SECURITIES				P	VAR	VAR
105,713.		102,660.					3,053.	
		SEE UBS STATEMENT PROPERTY TYPE: SECURITIES				P	VAR	VAR
24,624.		20,724.					3,900.	
		SEE UBS STATEMENT PROPERTY TYPE: SECURITIES				P	VAR	VAR
19,736.		18,127.					1,609.	
		SEE UBS STATEMENT PROPERTY TYPE: SECURITIES				P	VAR	VAR
229,651.		140,669.					88,982.	
TOTAL GAIN(LOSS)							97,544.	

ATTACHMENT 1

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

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
DIVIDENDS		16,260.	16,260.
	TOTAL	16,260.	16,260.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
PERKINSON LAW PLLC	7,073.			7,073.
TOTALS	7,073.			7,073.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
PERKINSON LAW PLLC	5,453.	2,727.		2,726.
TOTALS	5,453.	2,727.		2,726.

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
MANAGEMENT FEES	7,659.	7,659.
TOTALS	7,659.	7,659.

ATTACHMENT 5

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
FEDERAL TAX PAYMENT	700.
TOTALS	700.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
BANK FEES		28.	14.	14.
	TOTALS	28.	14.	14.

ATTACHMENT 7

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
UBS FINANCIAL-SEE ATTACHED	725,430.	920,637.
TOTALS	725,430.	920,637.

Account name: HERMES FAMILY FOUNDATION
Friendly account name: Foundation
Account number: Y1 08023 4C

Your Financial Advisor:
SECHAN/KOBERNICK
212-821-7000/800-308-3140

Your assets

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

Cash

Cash and money balances

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period
RMA GOVERNMENT PORTFOLIO	2,801 52	5,213 57	1 00	0 01%	Nov 26 to Dec 23	28

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
AMERICAN TOWER CORP REIT								
Symbol AMT Exchange NYSE								
EAI $384 Current yield 1 24%	Mar 22, 12	300.000	62 066	18,620 07	77 270	23,181 00	4,560 93	ST
	Nov 13, 12	100 000	74 616	7,461.68	77 270	7,727.00	265 32	ST
Security total		400 000	65 204	26,081.75		30,908 00	4,826 25	
ANADARKO PETROLEUM CORP								
Symbol APC Exchange NYSE								
EAI $144 Current yield 0 48%	Nov 12, 09	300 000	62 436	18,730 83	74 310	22,293 00	3,562 17	LT
	May 4, 10	100 000	63 666	6,366 64	74 310	7,431 00	1,064 36	LT
Security total		400 000	62 744	25,097 47		29,724.00	4,626 53	
APPLE INC								
Symbol AAPL Exchange OTC								
EAI $1,060 Current yield 1 99%	Nov 24, 09	100 000	205 046	20,504 69	532 172	53,217 20	32,712 51	LT
BOEING COMPANY								
Symbol BA Exchange NYSE								
EAI $776 Current yield 2 57%	Sep 28, 11	400 000	63 231	25,292 44	75 360	30,144.00	4,851 56	LT
BROADCOM CORP CL A								
Symbol BRCM Exchange OTC								
EAI $320 Current yield 1 20%	Jun 22, 10	500 000	35 556	17,778 17	33 210	16,605.00	-1,173 17	LT
	Aug 24, 11	300 000	33 256	9,976 85	33 210	9,963.00	-13 85	LT

continued next page

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

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Security total		800 000	34 694	27,755 02		26,568 00	-1,187 02	
CELGENE CORP								
Symbol· CELG Exchange OTC	Nov 18, 10	200 000	61 368	12,273 75	78 470	15,694 00	3,420 25	LT
	Dec 3, 10	200 000	60 447	12,089 44	78 470	15,694 00	3,604 56	LT
Security total		400 000	60 908	24,363 19		31,388 00	7,024 81	
CHUBB CORP								
Symbol CB Exchange NYSE								
EAI $656 Current yield 2 18%	Dec 12, 05	200 000	47 418	9,483 65	75 320	15,064.00	5,580 35	LT
	Jan 12, 06	200 000	49 125	9,825 00	75 320	15,064 00	5,239 00	LT
Security total		400 000	48 272	19,308 65		30,128 00	10,819 35	
COCA COLA CO COM								
Symbol· KO Exchange NYSE								
EAI· $510 Current yield 2 81%	Oct 21, 10	100 000	30 790	3,079 00	36 250	3,625 00	546 00	LT
	Nov 18, 10	400 000	31 799	12,719 99	36 250	14,500 00	1,780 01	LT
Security total		500 000	31 598	15,798 99		18,125 00	2,326 01	
COMCAST CORP NEW CL A								
Symbol CMCSA Exchange OTC								
EAI $325 Current yield 1 74%	Mar 1, 11	500 000	25 788	12,894 21	37 360	18,680 00	5,785 79	LT
CSX CORPORATION								
Symbol CSX Exchange NYSE								
EAI $504 Current yield 2 84%	Aug 16, 12	900 000	23 183	20,865 39	19 730	17,757 00	-3,108 39	ST
CVS CAREMARK CORP								
Symbol CVS Exchange NYSE								
EAI $720 Current yield 1 86%	Feb 23, 12	700 000	43 965	30,776 03	48 350	33,845 00	3,068 97	ST
	Oct 5, 12	100 000	49 008	4,900 82	48 350	4,835 00	-65 82	ST
Security total		800 000	44 596	35,676 85		38,680 00	3,003 15	
DANAHER CORP								
Symbol DHR Exchange NYSE								
EAI $30 Current yield 0 18%	Aug 3, 04	100 000	25 387	2,538 78	55 900	5,590 00	3,051 22	LT
	Nov 21, 06	200 000	36 597	7,319 52	55 900	11,180 00	3,860 48	LT
Security total		300 000	32 861	9,858 30		16,770 00	6,911 70	
DEERE AND CO								
Symbol DE Exchange NYSE								
EAI $368 Current yield 2 13%	May 17, 12	200 000	72 337	14,467 45	86 420	17,284 00	2,816 55	ST

continued next page

Account name: HERMES FAMILY FOUNDATION
Friendly account name: Foundation
Account number: Y1 08023 4C

Your Financial Advisor:
SECHAN/KOBERNICK
212-821-7000/800-308-3140

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

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
GOOGLE INC CL A								
Symbol GOOG Exchange OTC	Jun 3, 10	50 000	505 378	25,268 92	707 380	35,369 00	10,100 08	LT
	Aug 30, 11	50 000	542 550	27,127 50	707.380	35,369 00	8,241 50	LT
Security total		100 000	523 964	52,396 42		70,738 00	18,341 58	
HOME DEPOT INC								
Symbol HD Exchange NYSE								
EAI $464 Current yield 1 88%	Jun 21, 12	400 000	51 685	20,674 07	61 850	24,740 00	4,065 93	ST
HUMANA INC								
Symbol HUM Exchange NYSE								
EAI $312 Current yield 1 52%	Aug 24, 11	200 000	71.930	14,386 08	68 630	13,726 00	-660 08	LT
	Aug 30, 11	100 000	77.137	7,713 78	68 630	6,863 00	-850 78	LT
Security total		300 000	73 666	22,099 86		20,589 00	-1,510 86	
INTEL CORP								
Symbol· INTC Exchange OTC								
EAI $1,080 Current yield 4 36%	May 16, 11	1,200 000	23 653	28,383 60	20 620	24,744 00	-3,639 60	LT
INTERCONTINENTALEXCHANGE INC								
Symbol ICE Exchange· NYSE	Feb 18, 11	100 000	128 030	12,803 00	123 810	12,381 00	-422 00	LT
	Apr 27, 11	100 000	121 104	12,110 48	123 810	12,381 00	270 52	LT
Security total		200 000	124 567	24,913 48		24,762 00	-151.48	
INTL BUSINESS MACH								
Symbol IBM Exchange NYSE								
EAI $340 Current yield 1 77%	Nov 21, 06	100 000	93 202	9,320 22	191 550	19,155 00	9,834 78	LT
JPMORGAN CHASE & CO								
Symbol JPM Exchange NYSE								
EAI $960 Current yield 2 73%	Apr 30, 09	600 000	34 570	20,742 06	43 969	26,381 40	5,639 34	LT
	Oct 1, 09	200 000	42 624	8,524 97	43 969	8,793 80	268 83	LT
Security total		800 000	36 584	29,267 03		35,175.20	5,908 17	
KLA -TENCOR CORP								
Symbol KLAC Exchange OTC								
EAI $640 Current yield 3 35%	Jun 21, 12	400 000	48 766	19,506 53	47 760	19,104 00	-402.53	ST
MCKESSON CORP								
Symbol MCK Exchange NYSE								
EAI $160 Current yield 0 83%	Apr 15, 10	200 000	64 774	12,954 88	96 960	19,392 00	6,437 12	LT

continued next page

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

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
MEDTRONIC INC								
Symbol MDT Exchange NYSE								
EAI $416 Current yield 2 54%	Jul 22, 10	400 000	37 009	14,803.97	41 020	16,408 00	1,604 03	LT
MICROSOFT CORP								
Symbol MSFT Exchange OTC								
EAI $644 Current yield 3 44%	Dec 14, 11	700 000	25 690	17,983 00	26 709	18,696 30	713 30	LT
MONSTER BEVERAGE CORP COM								
Symbol MNST Exchange OTC	Feb 2, 12	400 000	53.158	21,263.25	52 840	21,136 00	-127 25	ST
NEXTERA ENERGY INC COM								
Symbol NEE Exchange NYSE								
EAI $720 Current yield 3 47%	May 26, 10	100 000	48.838	4,883 84	69 190	6,919 00	2,035 16	LT
	Oct 21, 10	200 000	55 523	11,104 72	69 190	13,838 00	2,733 28	LT
Security total		300 000	53 295	15,988 56		20,757 00	4,768 44	
OCCIDENTAL PETROLEUM CRP								
Symbol OXY Exchange NYSE								
EAI $864 Current yield 2 82%	Jun 2, 05	400 000	36 580	14,632 00	76.610	30,644 00	16,012 00	LT
SCHLUMBERGER LTD NETHERLANDS ANTILLES								
Symbol SLB Exchange NYSE								
EAI $550 Current yield 1 59%	Nov 27, 96	300 000	23 530	7,059 22	69 298	20,789 40	13,730 18	LT
	Apr 30, 09	200 000	50 376	10,075 25	69 298	13,859 60	3,784 35	LT
Security total		500 000	34 269	17,134 47		34,649 00	17,514 53	
SIMON PPTY GROUP INC SBI								
Symbol SPG Exchange NYSE								
EAI $440 Current yield 2 78%	Nov 21, 12	100 000	149 605	14,960 50	158 090	15,809 00	848 50	ST
STARBUCKS CORP								
Symbol SBUX Exchange OTC								
EAI $420 Current yield 1 57%	Aug 25, 10	300 000	23 457	7,037 26	53 630	16,089 00	9,051 74	LT
	Feb 9, 11	200 000	33 076	6,615.26	53 630	10,726 00	4,110 74	LT
Security total		500 000	27 305	13,652 52		26,815 00	13,162 48	
THERMO FISHER SCIENTIFIC INC								
Symbol TMO Exchange NYSE								
EAI $300 Current yield 0 94%	Nov 26, 08	400 000	34 586	13,834.63	63 780	25,512 00	11,677 37	LT
	Feb 12, 09	100 000	38 457	3,845 72	63 780	6,378 00	2,532 28	LT

continued next page

Account name: HERMES FAMILY FOUNDATION
Friendly account name: Foundation
Account number: Y1 08023 4C

Your Financial Advisor:
SECHAN/KOBERNICK
212-821-7000/800-308-3140

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

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Security total		500 000	35 361	17,680 35		31,890 00	14,209 65	
TJX COS INC NEW Symbol TJX Exchange NYSE EAI $276 Current yield 1.08%	Aug 17, 12	600 000	45 187	27,112 46	42 450	25,470 00	-1,642 46	ST
US BANCORP DEL (NEW) Symbol USB Exchange NYSE EAI $858 Current yield 2.44%	Aug 12, 10	600 000	22 411	13,447 18	31 940	19,164 00	5,716 82	LT
	Mar 1, 11	300 000	27 419	8,225 92	31 940	9,582 00	1,356 08	LT
	Feb 2, 12	200.000	28 649	5,729 80	31 940	6,388 00	658 20	ST
Security total		1,100 000	24 912	27,402 90		35,134 00	7,731.10	
WHOLE FOODS MARKET INC Symbol WFM Exchange OTC EAI $240 Current yield 0 88%	Mar 22, 12	200.000	83.368	16,673.65	91 160	18,232 00	1,558.35	ST
	Oct 5, 12	100 000	101 410	10,141 01	91 160	9,116 00	-1,025 01	ST
Security total		300 000	89 382	26,814 66		27,348 00	533 34	
Total				**$726,909.13**		**$922,528.70**	**$195,619.57**	

Total estimated annual income: $15,481

Short options

Holding	Trade date	Number of contracts	Sale price per contract ($)	Sale proceeds ($)	Price per contract on Dec 31 ($)	Contract premium ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
CALL STARBUCKS CORP DUE 04/20/13 55 000 Expires Apr 13 Symbol SBUX	Nov 21, 12	-5 000	1 525	-762 81	246 000	2 460	-1,230 00	-467 19	ST
CALL OCCIDENTAL PETROLEU DUE 05/18/13 85 000 Expires May 13 Symbol OXY	Nov 21, 12	-4 000	1 790	-716 37	165 500	1 655	-662 00	54 37	ST
Total				**-$1,479.18**			**-$1,892.00**	**-$412.82**	

Account name: HERMES FAMILY FOUNDATION
Friendly account name: Foundation
Account number: Y1 08023 4C

Your Financial Advisor:
SECHAN/KOBERNICK
212-821-7000/800-308-3140

Your assets (continued)

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**5,213.57**	**0.56%**	**5,213.57**		
Equities	Common stock	922,528.70		726,909 13	15,481 00	195,619 57
	Short options	-1,892.00		-1,479.18		-412 82
	Total equities	**920,636.70**	**99.44%**	**725,429.95**	**15,481.00**	**195,206.75**
Total		**$925,850.27**	**100.00%**	**$730,643.52**	**$15,481.00**	**$195,206.75**

ATTACHMENT 8

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
ADJUSTMENT TO STOCK BASIS BY BROKER	118.
TOTAL	118.

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

ATTACHMENT 9

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION			
ADRIENNE HERMES C/O PERKINSON LAW PLLC 4622 COUNTRY CLUB ROAD, STE 270 WINSTON-SALEM, NC 27104	SECRETARY	0	0	0
GWENDOLYN SMITH C/O PERKINSON LAW PLLC 4622 COUNTRY CLUB ROAD, STE 270 WINSTON-SALEM, NC 27104	DIRECTOR	0	0	0
IRMA SMART C/O PERKINSON LAW PLLC 4622 COUNTRY CLUB ROAD, STE 270 WINSTON-SALEM, NC 27104	VICE PRESIDENT	0	0	0
DORIS CRUMPLER C/O PERKINSON LAW PLLC 4622 COUNTRY CLUB ROAD, STE 270 WINSTON-SALEM, NC 27104	DIRECTOR/PRESIDENT	0	0	0
	GRAND TOTALS			

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

MS. DONNIE JONES, PERKINSON LAW
4622 COUNTRY CLUB ROAD, STE 270
WINSTON-SALEM, NC 27104
336-794-6020

ATTACHMENT 11

990PF, PART XV - FORM AND CONTENTS OF SUBMITTED APPLICATIONS

LETTER SPECIFYING REASONS FOR APPLICATION (I.E., HOW FUNDS ARE TO BE USED)

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SEE STATEMENT 12	NONE 501(C)(3)		100,000.
		TOTAL CONTRIBUTIONS PAID	100,000.

FORM 990-PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT	RELATIONSHIP	GRANT PURPOSE	NFP STATUS OF RECIPIENT	AMOUNT
American Cancer Society P O Box 3907 Martinsville, VA 24115	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 300 00
American Diabetes Association 1081 Spruce Street Martinsville, VA 24112	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 1,000 00
American Red Cross-Greensboro Chapter 1501 Yanceyville Street Greensboro, NC 27415	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 2,000 00
American Red Cross-Martinsville-Henry County 1081 Spruce Street Martinsville, VA 24112	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 200 00
Blowing Rock Charity Horse Show PO Box 650 Blowing Rock, NC 28605	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 700 00
Boys and Girls Club of Martinsville-Henry County 6 East Main Street, Suite A Martinsville, VA 24112	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 2,500 00
Carlisle School-Annual Giving P O Box 5388 Martinsville, VA 24115	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 9,200 00
Clemmons Moravian Church 3535 Spangenberg Ave Clemmons, NC 27012	None	Charitable	Section 170 (b) (1) (A) (i)	$ 750 00
Danville Science Center P O Box 167 Danville, VA 24543	None	Charitable	Section 509 (a) (3)	$ 750 00
Deacon Club Wake Forest Athletic Development 499 Deacon Boulevard Winston-Salem, NC 27105	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 500 00
Duke Endowment Fund Development Office Duke University Durham, NC 27706	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 3,000 00
Duke University Iron Dukes 116 Cameron Indoor Stadium Box 90542 Durham, NC 27708	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 8,500 00
Duke University Medical School Box 90581 Durham, NC 27701-0581	None	Charitable	Section 509 (a) (3)-Type I	$ 2,000 00
Dyer's Store Fire Department 3230 Chatham Road Martinsville, VA 24112	None	Charitable	Governmental Unit	$ 250 00
E P Pearce Elementary School 2006 Pleasant Ridge Road Greensboro, NC 27410	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 2,000 00
Ferrum College Scholarship Fund Ferrum, VA 24088-9001	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 2,000 00
Fork Mountain Fire Department 2889 Fork Mountain Road Bassett, VA 24055	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 750 00
Fork Mountain Rescue Squad 2805 Virgil H Goode Highway Rocky Mount, VA 24151	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 750 00

FORM 990-PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT	RELATIONSHIP	GRANT PURPOSE	NFP STATUS OF RECIPIENT	AMOUNT
Franklin County High School 700 Tanyard Road Rocky Mount, VA 24151	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 10,000 00
Franklin County Public Library 355 Franklin County Rocky Mount, VA 24151	None	Charitable	Section 170 (b) (1) (A) (v)	$ 500 00
Gateway Streetscape Foundation, Inc P O Box 7 Collinsville, VA 24078	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 200 00
Holy Trinity Lutheran Church 1527 Church Street Extension P O Box 5184 Martinsville, VA 24115	None	Charitable	Section 170 (b) (1) (A) (i)	$ 800 00
Horsepower, Inc 8001 Leabourne Road Colfax, NC 27235	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 2,000 00
Humane Society of the Piedmont 4527 West Wendover Avenue Greensboro, NC 27409	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 1,000 00
Kentucky State Fair World's Championship Horse Show c/o Kentucky Exposition Center, 937 Phillips Lane Louisville, KY 40209	None	Charitable	Governmental Unit	$ 3,000 00
Martinsville Area Community Foundation P O Box 1124 Martinsville, VA 24114-1124	None	Charitable	Section 501 (c) (3)	$ 3,500 00
Martinsville Cemetery Association P O Box 246 Martinsville, VA 24114	None	Charitable	Section 501 (c) (13)	$ 500 00
NC Veterinary Medical Foundation, Inc PO Box 7474 Raleigh, NC 27695	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 300 00
New College Institute 29 Jones Street Martinsville, VA 24112	None	Charitable	Section 170 (b) (1) (A) (iv)	$ 2,000 00
Noble Academy 3310 Horse Pen Creek Road Greensboro, NC 27410	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 2,000 00
Patrick Henry Community College Foundation P O Box 5311 Martinsville, VA 24115	None	Charitable	Section 170 (b) (1) (A) (iv)	$ 2,500 00
Piedmont Arts Association 215 Starling Avenue Martinsville, VA 24115	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 1,300 00
Roanoke College 221 College Lane Salem, VA 24153	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 2,000 00
Salvation Army of Martinsville 603 Memorial Blvd S Martinsville, VA 24112	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 500 00
Salvation Army Boys & Girls Clubs of Greensboro 1311 South Eugene Street Greensboro, NC 27406	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 1,000 00
Southern Area Agency on Aging 204 Cleveland Avenue Martinsville, VA 24112	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 1,000 00

FORM 990-PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT	RELATIONSHIP	GRANT PURPOSE	NFP STATUS OF RECIPIENT	AMOUNT
SPCA 132 Joseph Martin Highway Martinsville, VA 24078	None	Charitable	Section 509(a)(2)	$ 3,500 00
St Jude's Children's Hospital 262 Danny Thomas Place Memphis, TN 38105	None	Charitable	Section 170 (b) (1) (A) (iii)	$ 2,000 00
Summerfield Fire Department 7400 Summerfield Road Summerfield, NC 27358	None	Charitable	Governmental Unit	$ 1,000 00
The Children's Center 2315 Coliseum Drive Winston-Salem, NC 27106	None	Charitable	Section 509 (a) (2)	$ 2,000 00
The Summit School 2100 Reynolda Road Winston-Salem, NC 27106	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 3,500 00
Virginia Museum of Natural History 21 Starling Avenue Martinsville, VA 24112	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 4,000 00
Virginia Tech Athletic Fund-Hokie Club P O Box 10307 Blacksburg, VA 24062-0307	None	Charitable	Section 170 (b) (1) (A) (ii)	$ 2,000 00
Voice of the Blue Ridge 3435 Melrose Avenue Roanoke, VA 24017	None	Charitable	Section 501 (c) (3)	$ 750 00
Wake Forest University Baptist Medical Center Office of Development & Alumni Affairs Medical Center Boulevard Winston-Salem, NC 27157	None	Charitable	Section 509 (a) (3)-Type I	$ 8,000 00
Walnut Cove Public Library P O Box 706 Walnut Cove, NC 27052	None	Charitable	Section 170 (b) (1) (A) (v)	$ 1,000 00
Walnut Cove VFD & Rescue Squad P O Box 532 Walnut Cove, NC 27052	None	Charitable	Section 170 (b) (1) (A) (vi)	$ 1,000 00
			Total	**$ 100,000.00**

SCHEDULE D (Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T.
▶ Information about Schedule D (Form 1041) and its separate instructions is at *www.irs.gov/form1041*.

OMB No 1545-0092

2012

Name of estate or trust: HERMES FAMILY FOUNDATION

Employer identification number: 51-0172567

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

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

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

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	4,662.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet	4	( )
5 **Net short-term gain or (loss).** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	4,662.

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

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

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	92,882.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet	11	( )
12 **Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	92,882.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. **Schedule D (Form 1041) 2012**

Part III Summary of Parts I and II

Caution: *Read the instructions **before** completing this part.*

			(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			4,662.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			92,882.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b			
c	28% rate gain	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			97,544.

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

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of

a The loss on line 15, column (3) **or** **b** $3,000 . . . 16 ( )

Note: *If the loss on line 15, column (3), is more than $3,000, **or** if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover*

Part V Tax Computation Using Maximum Capital Gains Rates

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

Caution: *Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if*

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

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

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)			17			
18	Enter the **smaller** of line 14a or 15 in column (2) but not less than zero	18					
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19					
20	Add lines 18 and 19	20					
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21					
22	Subtract line 21 from line 20 If zero or less, enter -0-			22			
23	Subtract line 22 from line 17 If zero or less, enter -0-			23			
24	Enter the **smaller** of the amount on line 17 or $2,400			24			
25	Is the amount on line 23 equal to or more than the amount on line 24? ☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box ☐ **No.** Enter the amount from line 23			25			
26	Subtract line 25 from line 24			26			
27	Are the amounts on lines 22 and 26 the same? ☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the smaller of line 17 or line 22			27			
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)			28			
29	Subtract line 28 from line 27			29			
30	Multiply line 29 by 15% (15)					30	
31	Figure the tax on the amount on line 23 Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)					31	
32	Add lines 30 and 31					32	
33	Figure the tax on the amount on line 17 Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)					33	
34	**Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)					34	

SCHEDULE D-1 (Form 1041)

Department of the Treasury Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

▶ Information about Schedule D (Form 1041) and its separate instructions is at *www.irs.gov/form1041*.

OMB No 1545-0092

2012

Name of estate or trust: HERMES FAMILY FOUNDATION

Employer identification number: 51-0172567

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

	(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a	SEE UBS STATEMENT	VAR	VAR	105,713.	102,660.	3,053.
	SEE UBS STATEMENT	VAR	VAR	19,736.	18,127.	1,609.

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . 4,662.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. **Schedule D-1 (Form 1041) 2012**

JSA
2F1221 2 000
24441Z 530B V 12-4.6F

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

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a SEE UBS STATEMENT	VAR	VAR	24,624.	20,724.	3,900.
SEE UBS STATEMENT	VAR	VAR	229,651.	140,669.	88,982.

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b . . . . 92,882.

Proceeds from Broker Transactions

Short-term transactions for covered securities; included in Line 2a

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
ADOBE SYSTEMS INC (DELAWARE) Symbol. ADBE CUSIP 00724F101									
Sell	**700.0000**		10/21/11	06/21/12	**21,859.46**	**18,740.05**			**3,119.41**
DEERE AND CO Symbol DE CUSIP 244199105									
Sell	200 0000		03/22/12	08/16/12	15,020 63	15,940 06			(919 43)
Sell	100 0000		03/22/12	11/15/12	8,518 30	7,970 03			548 27
Sub Total	**300.0000**				**23,538.93**	**23,910.09**			**(371.16)**
HOME DEPOT INC Symbol HD CUSIP 437076102									
Sell	**100.0000**		06/21/12	11/15/12	**6,108.18**	**5,168.52**			**939.66**
KBR INC Symbol KBR CUSIP. 48242W106									
Sell	**600.0000**		08/24/11	05/17/12	**16,253.16**	**16,503.98**			**(250.82)**
MCDONALDS CORP Symbol MCD CUSIP 580135101									
Sell	**100.0000**		10/26/11	06/21/12	**8,803.99**	**9,135.80**			**(331.81)**

continued next page

Proceeds from Broker Transactions (continued)

Short-term transactions for covered securities; included in Line 2a (continued)

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
MEAD JOHNSON NUTRITION CO COM STOCK Symbol MJN CUSIP 582839106									
Sell	200.0000		10/26/11	10/05/12	14,574 64	14,369.57			205 07
Sell	200 0000		02/02/12	10/05/12	14,574 64	14,831 95			(257 31)
Sub Total	400.0000				29,149.28	29,201.52			(52.24)
Total	2,200.0000				$105,713.00	$102,659.96			$3,053.04

Long-term transactions for covered securities; included in Line 2a.

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
COMCAST CORP NEW CL A Symbol. CMCSA CUSIP 20030N101									
Sell	200.0000		03/01/11	11/15/12	7,015.84	5,157.69			1,858.15
MCDONALDS CORP Symbol MCD CUSIP. 580135101									
Sell	200.0000		04/27/11	06/21/12	17,607.99	15,565.89			2,042.10
Total	400.0000				$24,623.83	$20,723.58			$3,900.25

continued next page

Proceeds from Broker Transactions (continued)

Long-term transactions for noncovered securities; included in Line 2a

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
APPLE INC Symbol. AAPL CUSIP. 037833100									
Sell	**50.0000**		11/24/09	10/05/12	**32,956.31**	**10,252.34**			**22,703.97**
CHUBB CORP Symbol CB CUSIP. 171232101									
Sell	**100.0000**		12/12/05	11/15/12	**7,417.17**	**4,741.82**			**2,675.35**
COCA COLA CO COM Symbol KO CUSIP. 191216100									
Sell	200 0000		10/21/10	03/22/12	14,258 12	12,316 00			1,942 12
Sell	100 0000		10/21/10	11/15/12	3,619 26	3,079 00			540 26
Sub Total	**300.0000**				**17,877.38**	**15,395.00**			**2,482.38**
DANAHER CORP Symbol DHR CUSIP· 235851102									
Sell	**100.0000**		08/03/04	11/15/12	**5,147.88**	**2,538.78**			**2,609.10**
GENL MILLS INC Symbol GIS CUSIP· 370334104									
Sell	**600.0000**		06/03/10	02/23/12	**23,249.45**	**22,494.96**			**754.49**
INTERCONTINENTALEXCHANGE INC Symbol ICE CUSIP 45865V100									
Sell	**100.0000**		03/18/10	11/15/12	**12,614.80**	**10,929.00**			**1,685.80**

continued next page

Proceeds from Broker Transactions (continued)

Long-term transactions for noncovered securities; included in Line 2a. (continued)

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
JOY GLOBAL INC Symbol. JOY CUSIP: 481165108									
Sell	300.0000		05/12/09	03/22/12	22,355 21	8,729.45			13,625 76
Sell	200 0000		05/29/09	03/22/12	14,903 48	6,967 41			7,936 07
Sub Total	**500.0000**				**37,258.69**	**15,696.86**			**21,561.83**
JPMORGAN CHASE & CO Symbol: JPM CUSIP. 46625H100									
Sell	**100.0000**		04/30/09	02/02/12	**3,763.24**	**3,457.01**			**306.23**
MEDTRONIC INC Symbol MDT CUSIP. 585055106									
Sell	**100.0000**		07/22/10	11/15/12	**4,073.25**	**3,700.99**			**372.26**
NIKE INC CL B Symbol. NKE CUSIP· 654106103									
Sell	200 0000		09/16/05	08/17/12	19,010 22	7,947 66			11,062 56
Sell	100 0000		05/19/08	08/17/12	9,505 11	6,827.25			2,677 86
Sub Total	**300.0000**				**28,515.33**	**14,774.91**			**13,740.42**
PEPSICO INC Symbol PEP CUSIP. 713448108									
Sell	200.0000		09/03/02	02/02/12	13,243 45	7,754 74			5,488 71
Sell	300 0000		04/22/03	02/02/12	19,865 17	12,456.54			7,408 63
Sell	100 0000		07/17/06	02/02/12	6,621.72	6,190 00			431 72
Sub Total	**600.0000**				**39,730.34**	**26,401.28**			**13,329.06**

continued next page

Proceeds from Broker Transactions (continued)

Long-term transactions for noncovered securities, included in Line 2a. (continued)

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
STARBUCKS CORP Symbol SBUX CUSIP 855244109									
Sell	100.0000		08/25/10	11/15/12	4,818.54	2,345.76			2,472.78
THERMO FISHER SCIENTIFIC INC Symbol TMO CUSIP 883556102									
Sell	100.0000		11/26/08	11/15/12	6,016.34	3,458.66			2,557.68
US BANCORP DEL (NEW) Symbol USB CUSIP 902973304									
Sell	200.0000		08/12/10	11/15/12	6,212.54	4,482.39			1,730.15
Total	3,250.0000				$229,651.26	$140,669.76			$88,981.50
Total					$359,988.09				

Proceeds from Broker Transactions

Short-term transactions; not included in Line 2a.

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
CALL APPLE INC DUE 07/21/12 670 000 030911									
Shortcover	**1.0000**		04/24/12	03/22/12	**1,939.96**	**705.00**			**1,234.96**
CALL BOEING COMPANY DUE 05/19/12 85.000 051705									
Shortcover	2 0000		01/25/12	12/28/11	200 43	64.00			136 43
Shortcover	2 0000		01/25/12	12/28/11	200 43	66 00			134 43
Sub Total	**4.0000**				**400.86**	**130.00**			**270.86**
CALL HUMANA INC DUE 02/16/13 75 000 216704 CUSIP 99UBBADF4									
Shortcover	**3.0000**		12/05/12	11/13/12	**464.98**	**129.00**			**335.98**
CALL HUMANA INC DUE 05/19/12 100 000 216704									
Shortcover	**3.0000**		02/06/12	12/27/11	**629.98**	**210.00**			**419.98**
CALL HUMANA INC DUE 08/18/12 97.500 216704									
Shortcover	2 0000		05/07/12	03/23/12	249 99	80 00			169.99
Shortcover	1 0000		05/08/12	03/23/12	125 00	40 00			85 00
Sub Total	**3.0000**				**374.99**	**120.00**			**254.99**
CALL INTEL CORP DUE 07/21/12 27 000 226254									
Shortcover	**12.0000**		05/23/12	01/11/12	**1,264.01**	**528.00**			**736.01**

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Proceeds from Broker Transactions (continued)

Short-term transactions, not included in Line 2a. (continued)

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
CALL JOY GLOBAL INC DUE 03/17/12 95 000 2364T8									
Shortcover	5.0000		02/29/12	02/22/12	1,549.97	275.00			1,274.97
CALL MCKESSON CORP DUE 05/19/12 87 500 2805A8									
Shortcover	2.0000		05/15/12	01/11/12	269.99	365.69			(95.70)
CALL MCKESSON CORP DUE 11/17/12 97 500 2805A8									
Shortcover	2.0000		08/15/12	05/15/12	409.99	111.71			298.28
CALL MEAD JOHNSON NUTRIT DUE 01/19/13 85 000 2811G4									
Shortcover	4.0000		10/01/12	09/13/12	479.98	267.30			212.68
CALL MEAD JOHNSON NUTRIT DUE 11/17/12 100 000 2811G4									
Shortcover	4.0000		07/16/12	06/22/12	559.98	96.00			463.98
CALL NIKE INC CL B DUE 04/21/12 110 000 334332									
Shortcover	3.0000		03/23/12	12/28/11	356.99	285.00			71.99
CALL OCCIDENTAL PETROLEU DUE 01/21/12 92 500 346497									
Shortcover	4.0000		01/18/12	10/12/11	1,159.97	3,160.00			(2,000.03)
CALL OCCIDENTAL PETROLEU DUE 08/18/12 110 000 346497									
Shortcover	4.0000		03/23/12	01/18/12	2,159.95	700.00			1,459.95

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UBS Financial Services Inc.

2012 Informational Statement

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Proceeds from Broker Transactions (continued)

Short-term transactions; not included in Line 2a. (continued)

Security description (Line 8) Symbol (Line 1d) CUSIP Activity type	Quantity / face value (Line 1e)	Original cost basis ($)	Date acquired (Line 1b)	Date of sale / exchange (Line 1a)	Sale amount (Line 2a) ($)	Cost or other basis (Line 3) ($)	Wash sale loss disallowed (Line 5) ($)	Federal income tax withheld (Line 4) ($)	Gain/Loss ($)
CALL SCHLUMBERGER LTD DUE 01/19/13 82 500 411957									
Shortcover	5.0000		09/28/12	09/12/12	704.98	400.00			304.98
CALL SCHLUMBERGER LTD DUE 02/18/12 75 000 411957									
Shortcover	5.0000		02/14/12	12/28/11	589.98	1,300.00			(710.02)
CALL SCHLUMBERGER LTD DUE 05/19/12 85 000 411957									
Shortcover	5.0000		03/15/12	02/14/12	889.98	155.00			734.98
CALL STARBUCKS CORP DUE 04/21/12 50 000 509736									
Shortcover	6.0000		04/16/12	01/11/12	719.98	5,880.00			(5,160.02)
CALL STARBUCKS CORP DUE 10/20/12 55 000 509736									
Shortcover	6.0000		04/27/12	04/16/12	4,589.89	3,210.00			1,379.89
CALL WHOLE FOODS MARKET DUE 11/17/12 110.000 458333									
Shortcover	2.0000		09/27/12	08/29/12	219.99	99.98			120.01
Total	83.0000				$19,736.40	$18,127.68			$1,608.72