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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

2012

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation JOHN C. & ADA K. ARTER MEMORIAL FUND F/B/O UNION MISSION		A Employer identification number 55-6138361
Number and street (or P.O. box number if mail is not delivered to street address) CITY NATIONAL BANK, P.O. BOX 4168	Room/suite	B Telephone number 304-345-9400
City or town, state, and ZIP code CHARLESTON, WV 25364-4168		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input checked="" type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 2,733,801. (Part I, column (d) must be on cash basis.)	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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))		(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				N/A	
2 Check <input checked="" type="checkbox"/> If the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		52,997.	52,247.		STATEMENT 1
4 Dividends and interest from securities		43,076.	43,076.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		-6,305.			
b Gross sales price for all assets on line 6a		805,213.			
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		89,768.	95,323.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees		2,479.	2,479.		0.
c Other professional fees		17,926.	17,926.		0.
17 Interest					
18 Taxes		1,950.	1,950.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		22,355.	22,355.		0.
25 Contributions, gifts, grants paid		134,217.			134,217.
26 Total expenses and disbursements. Add lines 24 and 25		156,572.	22,355.		134,217.
27 Subtract line 26 from line 12		-66,804.			
a Excess of revenue over expenses and disbursements			72,968.		
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)				N/A	

16

JOHN C. & ADA K. ARTER MEMORIAL FUND

Form 990-PF (2012)

F/B/O UNION MISSION

55-6138361

Page 2

Part II Balance Sheets

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

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	223,393.	64,305.	64,305.
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			
7	Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments - U S and state government obligations STMT 6	577,422.	412,281.	431,542.
b	Investments - corporate stock STMT 7	747,592.	744,176.	854,548.
c	Investments - corporate bonds STMT 8	1,046,588.	1,307,429.	1,383,406.
11	Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
12	Investments - mortgage loans			
13	Investments - other			
14	Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
15	Other assets (describe ▶)			
16	Total assets (to be completed by all filers)	2,594,995.	2,528,191.	2,733,801.

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			
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 ▶ <input type="checkbox"/>			
	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 ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds	0.	0.	
28	Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
29	Retained earnings, accumulated income, endowment, or other funds	2,594,995.	2,528,191.	
30	Total net assets or fund balances	2,594,995.	2,528,191.	
31	Total liabilities and net assets/fund balances	2,594,995.	2,528,191.	

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	2,594,995.
2	Enter amount from Part I, line 27a	2	-66,804.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	2,528,191.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,528,191.

JOHN C. & ADA K. ARTER MEMORIAL FUND

Form 990-PF (2012)

F/B/O UNION MISSION

55-6138361

Page 3

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			
b SEE ATTACHED STATEMENTS			
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 805,213.		811,518.	-6,305.

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
b			
c			
d			
e			-6,305.

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	-6,305.
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). If (loss), enter -0- in Part I, line 8	}	3	N/A

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	137,463.	2,676,048.	.051368
2010	135,867.	2,692,312.	.050465
2009	126,505.	2,584,778.	.048942
2008	141,040.	2,627,872.	.053671
2007	143,331.	2,775,000.	.051651

2 Total of line 1, column (d)	2	.256097
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	.051219
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	2,668,438.
5 Multiply line 4 by line 3	5	136,675.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	730.
7 Add lines 5 and 6	7	137,405.
8 Enter qualifying distributions from Part XII, line 4 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	8	134,217.

JOHN C. & ADA K. ARTER MEMORIAL FUND

Form 990-PF (2012)

F/B/O UNION MISSION

55-6138361

Page 4

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 <input type="checkbox"/> 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 <input type="checkbox"/> and enter 1% of Part I, line 27b		1	1,459.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	1,459.
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	1,459.
6 Credits/Payments			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	1,680.	
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	1,680.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> 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	221.	
11 Enter the amount of line 10 to be Credited to 2013 estimated tax	11	0.	

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 instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
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.		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		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? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? 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) <input type="checkbox"/> WV		
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 2012 or the taxable year beginning in 2012 (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

N/A

Form 990-PF (2012)

JOHN C. & ADA K. ARTER MEMORIAL FUND
F/B/O UNION MISSION

Form 990-PF (2012)

55-6138361

Page 5

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► GRAY, GRIFFITH & MAYS, A.C. Telephone no ► 304-345-9400 Located at ► 707 VIRGINIA ST. E., SUITE 400, CHARLESTON, WV ZIP+4 ► 25301			
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	► <input checked="" type="checkbox"/>		750.
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 ► <input type="checkbox"/>	1b	X
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?	4b	X

Form 990-PF (2012)

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)?

☐ 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

X

Organizations relying on a current notice regarding disaster assistance check here

☐

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

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

6b

X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
CITY NATIONAL BANK, WV 10 HALE STREET, SUITE 100 CHARLESTON, WV 25301	TRUSTEE	0.00	0.	0.

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

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

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

0

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

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

[illegible]

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

0

Total number of donors 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	N/A	
2		
3		
4		

Part IX-B	Summary of Program-Related Investments
------------------	---

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

<p>1 N/A</p>		
<p>2</p>		
<p>All other program-related investments See instructions</p>		
<p>3</p>		
<p>Total. Add lines 1 through 3</p>		0.

Form **990-PF** (2012)

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	2,565,316.
b	Average of monthly cash balances	1b	143,758.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	2,709,074.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	2,709,074.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	40,636.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,668,438.
6	Minimum investment return. Enter 5% of line 5	6	133,422.

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	133,422.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	1,459.
b	Income tax for 2012 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,459.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	131,963.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	131,963.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	131,963.

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	134,217.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	134,217.
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	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	134,217.

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.

JOHN C. & ADA K. ARTER MEMORIAL FUND
F/B/O UNION MISSION

Form 990-PF (2012)

55-6138361

Page 9

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				131,963.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2012				
a From 2007	6,621.			
b From 2008	11,687.			
c From 2009				
d From 2010	3,059.			
e From 2011	5,311.			
f Total of lines 3a through e	26,678.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 134,217.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				131,963.
e Remaining amount distributed out of corpus	2,254.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:	28,932.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	6,621.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	22,311.			
10 Analysis of line 9				
a Excess from 2008	11,687.			
b Excess from 2009				
c Excess from 2010	3,059.			
d Excess from 2011	5,311.			
e Excess from 2012	2,254.			

N/A

- (4) Gross investment income**

[illegible]Form **990-PF** (2012)

JOHN C. & ADA K. ARTER MEMORIAL FUND

Form 990-PF (2012)

F/B/O UNION MISSION

55-6138361 Page 11

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				
UNION MISSION PO BOX 112 CHARLESTON, WV 25321			INCOME DISTRIBUTION	134,217.
Total			3a	134,217.
b Approved for future payment				
NONE				
Total			3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion 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					52,997.
4 Dividends and interest from securities					43,076.
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					-6,305.
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)		0.		0.	89,768.
13 Total. Add line 12, columns (b), (d), and (e)					89,768.

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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. | | | |

[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
N/A		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.				<input checked="" type="checkbox"/> NOT VICE PRES & TRST O		May the IRS discuss this return with the preparer shown below (see instr.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Cit National Bank, Inc. Signature of officer or trustee <i>[Signature]</i> Date <i>05/15/2013</i> Title <i>Trust Officer</i>						
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature		Date	Check <input type="checkbox"/> if self-employed	PTIN
	K. SCOTT PHILLIPS		<i>[Signature]</i>		5/14/13		P01323272
	Firm's name ▶ GRAY, GRIFFITH & MAYS, A.C.					Firm's EIN ▶ 55-0621482	
	Firm's address ▶ 707 VIRGINIA STREET, EAST, SUITE 400 CHARLESTON, WV 25301-2711					Phone no (304) 345-9400	

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	FEDERAL FARM CREDIT BANK BD @ 2.24%	P	12/14/11	03/19/12
b	FEDERAL HOME LOAN BANK 1%	P	08/30/11	06/22/12
c	FEDERAL HOME LOAN BANK BD 0.625%	P	09/13/11	06/29/12
d	FEDERAL HOME LOAN BANK BD @ 3.10%	P	10/20/11	07/02/12
e	FEDERAL HOME LOAN BANK BD 1%	P	01/27/12	07/22/12
f	FEDERAL HOME LOAN BANK BD 1.3%	P	02/06/12	03/01/12
g	FEDERAL HOME LOAN BANK BD 1.70%	P	07/16/12	12/21/12
h	FANNIE MAE 3.5%	P	01/30/12	12/26/12
i	FEDERAL NATL MTG ASN 4.0%	P	07/25/11	01/06/12
j	FEDERATED GNMA TRUST SH BEN INT-FUND	P	09/13/11	03/06/12
k	FEDERATED TOTAL RETURN ULTRASHORT BD	P	09/13/11	02/16/12
l	GINNIE MAE 3.5%	P	06/14/11	05/22/12
m	GNMA 3.50%	P	09/15/11	01/20/12
n	GNMA 3.0%	P	12/05/11	11/16/12
o	BB&T CAPITAL TRUST V PDF 8.95%	P	09/03/08	07/18/12

(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 50,000.		50,000.	0.
b 100,000.		99,850.	150.
c 50,000.		50,000.	0.
d 25,000.		25,000.	0.
e 50,000.		50,000.	0.
f 49,438.		50,000.	-562.
g 50,000.		50,000.	0.
h 23,547.		23,636.	-89.
i 25,000.		24,969.	31.
j 24,785.		25,000.	-215.
k 15,059.		15,075.	-16.
l 9,307.		9,307.	0.
m 516.		516.	0.
n 5,006.		5,006.	0.
o 25,000.		25,003.	-3.

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			0.
b			150.
c			0.
d			0.
e			0.
f			-562.
g			0.
h			-89.
i			31.
j			-215.
k			-16.
l			0.
m			0.
n			0.
o			-3.

2 Capital gain net income or (net capital loss) (If gain, also enter in Part I, line 7
If (loss), enter "-0-" in Part I, line 7)

2

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c)
If (loss), enter "-0-" in Part I, line 8

3

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	DODGE & COX INCOME FD147	P	08/27/10	06/05/12
b	FEDERAL HOME LN BANK 2.5%	P	11/03/10	02/24/12
c	FEDERAL NATL MTG ASSN NOTE 2.125%	P	05/02/11	05/23/12
d	FEDERATED KAUFMAN	P	02/10/09	09/07/12
e	FEDERATED INCOME TRUST SH BEN	P	08/27/10	06/01/12
f	AMERICAN FDS FUNDAMENTAL INA	P	12/26/07	05/07/12
g	GENERAL ELECTRIC CAP CORP 4.30%	P	05/06/08	05/15/12
h	GINNIE MAE 3.5%	P	06/14/11	09/20/12
i	GNMA 3.5%	P	09/15/11	11/26/12
j	GNMA 3.0%	P	12/05/11	12/17/12
k	GROWTH FUND OF AMERICA CL A	P	VARIOUS	05/07/12
l	HEWLETT PACKARD COCOM	P	07/07/00	12/26/12
m	GCB VERIZON COMMUN INC	P	04/03/08	12/11/12
n	CAPITAL GAINS DIVIDENDS			
o				

(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	30,582.		30,000.	582.
b	22,222.		22,189.	33.
c	25,000.		25,000.	0.
d	15,611.		10,000.	5,611.
e	24,698.		24,790.	-92.
f	24,472.		27,501.	-3,029.
g	50,000.		50,000.	0.
h	13,869.		13,869.	0.
i	618.		618.	0.
j	582.		582.	0.
k	41,695.		42,501.	-806.
l	2,848.		12,496.	-9,648.
m	50,356.		48,610.	1,746.
n	2.			2.
o				

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col. (k), but not less than "-0-")
a			582.
b			33.
c			0.
d			5,611.
e			-92.
f			-3,029.
g			0.
h			0.
i			0.
j			0.
k			-806.
l			-9,648.
m			1,746.
n			2.
o			

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	-6,305.
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) If (loss), enter "-0-" in Part I, line 8 }	3	N/A

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
CITY NATIONAL BANK	52,997.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	52,997.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CITY NATIONAL BANK	43,078.	2.	43,076.
TOTAL TO FM 990-PF, PART I, LN 4	43,078.	2.	43,076.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,469.	2,469.		0.
DEMAND NOTE FEES	10.	10.		0.
TO FORM 990-PF, PG 1, LN 16B	2,479.	2,479.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TRUST FEES	17,926.	17,926.		0.
TO FORM 990-PF, PG 1, LN 16C	17,926.	17,926.		0.

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL EXCISE TAX	1,950.	1,950.		0.	
TO FORM 990-PF, PG 1, LN 18	1,950.	1,950.		0.	

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS			STATEMENT	6
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE	
US GOVT OBLIGA. SEE STMT 9	X		412,281.	431,542.	
TOTAL U.S. GOVERNMENT OBLIGATIONS			412,281.	431,542.	
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS					
TOTAL TO FORM 990-PF, PART II, LINE 10A			412,281.	431,542.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	7
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCKS SEE STMT 10			744,176.	854,548.
TOTAL TO FORM 990-PF, PART II, LINE 10B			744,176.	854,548.

FORM 990-PF	CORPORATE BONDS		STATEMENT	8
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS SEE STMT 11			1,307,429.	1,383,406.
TOTAL TO FORM 990-PF, PART II, LINE 10C			1,307,429.	1,383,406.

John C. & Ada K. Arter Memorial Fund FBO Union Mission
FEIN 55-6138361
990-PF Balance Sheet
Part II Line 10 A
12/31/2012

Statement 9

Description	Shares	Market Cost Per Share	Cost Basis	12/31/12 Market Value
GNMA 3 5% 09-20-41	22,536 480	103 960	22,536 48	23,428 92
GNMA 3 0% 12-16-2041	19,200 000	100 810	19,200 00	19,355 52
GNMA 3 00% 05-16-42	25,000 000	101 711	25,000 00	25,427 75
FHLB BD 3 0% 3-27-20	150,000 000	111 066	148,989 00	166,599.00
FHLB 2 13% 12-13-22	20,000 000	100 095	19,960.00	20,019 00
FFCB 1 24% 07-30-18	25,000 000	99 977	24,987 50	24,994 25
FFCB 2 0% 02-01-19	50,000 000	100 139	50,000 00	50,069 50
FFCB 1 29% 06-14-19	25,000 000	99 426	24,962.50	24,856.50
FNMA 3 50% 09-25-41	51,452 740	100 548	51,645 68	51,734.70
FNMA 1 0% 12-27-19	25,000 000	100 228	25,000 00	25,057.00
			\$ 412,281.16	\$ 431,542.14

John C. & Ada K. Arter Memorial Fund FBO Union Mission

FEIN 55-6138361

990-PF Balance Sheet

Part II Line 10 B

12/31/2012

Statement 10

Description	Shares	Market Cost Per Share	Cost Basis	12/31/12 Market Value
AT&T Inc	300 000	33 710	7,523 99	10,113 00
Abbott Labs	200 000	65 500	9,623 99	13,100 00
Amgen Inc	200 000	86 200	12,130 00	17,240 00
Automatic Data Proce	200 000	56 930	7,503 78	11,386 00
BB&T Corp	500 000	29 110	11,307 50	14,555 00
Baker Hughes Inc	150 000	40 8477	6,278 28	6,127 16
Berkshire Hathaway	100 000	89 700	7,068 56	8,970 00
Cambell Soup Co	300 000	34 890	9,827 96	10,467 00
Centurylink Inc	200 000	39 120	5,670 00	7,824 00
Chevron Corporation	100 000	108 140	7,637 40	10,814 00
Cisco Sys Inc	300 000	19 6494	5,355 74	5,894 82
CitiGroup Cap PFD ST	1,000 000	24 970	25,000 00	24,970 00
Coca-Cola Company	800 000	36 250	19,188 25	29,000 00
Conocophillips	200 000	57 990	6,974 73	11,598 00
Consol Energy Corp	500 000	32 100	19,001 79	16,050 00
Walt Disney Company	200 000	49 790	5,832 93	9,958 00
Dollar Gen Corp New	250 000	44 090	5,831 05	11,022 50
E I Dupont	800 000	44 979	40,797 15	35,982 80
Eaton Tx Mgd Div Eq	1,475 000	9 370	23,499 00	13,820 75
Eaton Tax Mgd GL Buy	1,500 000	10 690	24,355 00	16,035 00
Eaton Tx Mgd GL Div	775 000	8 810	12,124 50	6,827.75
Eaton Risk Mgd Div	550 000	10 430	10,343 00	5,736 50
Europacific Growth F	749 254	41 220	35,003 36	30,884.25
Exxon Mobile Corp	300 000	86 550	11,331 62	25,965 00
Facebook Inc	300 000	26 6197	11,400 00	7,985 91
General Elec Co	1,500 000	20 990	36,071 88	31,485 00
General Mills Inc	200 000	40 420	5,820 79	8,084 00
CB Goldman Sachs Grp	50,000.000	98 812	50,000 00	49,406 00
H J Heinz Co	200 000	57 680	7,225 99	11,536 00
Hewlett Packard Co	300 000	14 250	7,490 65	4,275 00
Home Depot Inc	600 000	61 850	25,893 52	37,110 00
Intel Corporations	300 000	20 620	4,542 00	6,186 00
Ishares Iboxx \$ Inve	200 000	120 990	22,686 14	24,198 00
Ishares Trust	500 000	39 620	18,556 50	19,810 00
Johnson & Johnson	500 000	70 100	29,145 65	35,050 00
MDU Resources Group	300 000	21 240	6,193 78	6,372 00
Marathon Oil Corp	300 000	30 660	4,975 18	9,198 00
McDonalds Corp	200 000	88 210	11,714 00	17,642 00
Microsoft Corp	500 000	26 710	11,155 73	13,354 85
Nextera Energy Inc	300 000	69 190	10,047 00	20,757 00
Oracle Sys Corp	200 000	33 320	3,420 00	6,664 00
Peabody Energy Group	500 000	26 610	19,042 42	13,305 00
Phillips 66 Com	100 000	53 100	2,199 25	5,310 00
Pinnacle West Capita	200 000	50 980	6,266 00	10,196 00
Proctor & Gamble Co	200 000	67 890	11,471 99	13,578 00
Southern Co	300 000	42 810	13,715 97	12,843 00
Stanley Bick Dck PFD	800 000	25 950	20,000 00	20,760 00
Sysco Corp	200 000	31 660	4,604 96	6,332 00
Texas Instruments	200.000	30 890	3,155 70	6,178 00
3M Co Com	200 000	92 850	11,431 87	18,570 00
Tortoise Energy PFD	1,500 000	9 980	15,000 00	14,970 00
United Parcel Servc	200 000	73 730	9,634 00	14,746 00
United Technologies	300 000	82 010	10,555 09	24,603 00
Verizon Comm Inc	200 000	43 270	5,547.25	8,654 00
Walmart Stores Inc	200 000	68 230	10,663 98	13,646 00
Walgreen Company	200 000	37 010	5,339 40	7,402 00
			\$ 744,176.27	\$ 854,548.29

John C. & Ada K. Arter Memorial Fund FBO Union Mission
FEIN 55-6138361
990-PF Balance Sheet
Part II Line C
12/31/2012

Statement 11

Description	Shares	Market Cost Per Share	Cost Basis	12/31/12 Market Value
AT&T Inc 3 0% 021522	50,000.000	104.002	49,985 00	52,001 00
Avon 4.2% 07-15-18	50,000 000	101.898	50,625.00	50,949 00
BB&T Corp PFD 5 625%	1,000.000	25 480	25,000.00	25,480.00
BB&T 5.2% 12-23-15	25,000 000	111 486	24,649.75	27,871.50
Bk of Amer 8.2% PFD	2,000.000	25.600	50,000 00	51,200.00
Bk Amer 3.625% 3-17-16	25,000 000	105.960	25,087 50	26,490 00
Berkshre 4 25% 1-15-21	25,000.000	114.734	25,000.00	28,683 50
Berkshir 2 20% 021516	20,000.000	104.339	20,091.60	20,867 80
Cabot Ark Sch 3.00%	25,000.000	103 307	25,000.00	25,826 75
Celgene 1.90% 081517	40,000.000	101 795	40,260.80	40,718 00
Citigroup 5 125%	25,000.000	105.346	23,620 50	26,336 50
Danville VA 4 20%	50,000.000	103 864	50,000.00	51,932 00
John Deere Cap 3 00%	50,000.000	101 079	50,000.00	50,539.50
Deutsche BK 6 625%	500.000	25 070	12,500.00	12,535 00
Devon Energy 3.25%	25,000.000	104.369	25,062.50	26,092 25
Dow Chemical 3 05%	50,000 000	100.007	50,000 00	50,003 50
Du Pont 4 75% 3-15-15	25,000.000	108 823	24,781.25	27,205.75
GE Cap 4 4% 04-15-14	50,000.000	103.917	50,000.00	51,958.50
Georgia Power 4.25%	25,000.000	114 135	24,973 75	28,533.75
Goldman Sachs 4 00%	25,000 000	105 474	25,000 00	26,368 50
Hewlet Packar 2 125%	25,000.000	99 931	24,825.00	24,982.75
ING Group 8 5% PFD	1,000.000	25.590	25,000 00	25,590 00
IBM 1.25% 02-06-17	40,000.000	101.056	39,624 40	40,422 40
JPMorgan 3 5% (STEP)	25,000.000	104.710	25,000.00	26,177 50
JPMorgan 2.625% 102920	25,000 000	103.380	24,812 50	25,845 00
Kellogg 1.75% 051717	50,000 000	101 624	50,000 00	50,812 00
Maryland St 2.20%	35,000 000	100 023	35,000 00	35,008 05
Microsoft Corp 4.2%	25,000.000	115 281	25,000.00	28,820 25
Montgomery VA 3 643%	50,000.000	108 289	50,000.00	54,144 50
Morgan Stanley 3 80%	20,000 000	104.979	19,510.00	20,995.80
Morgan Stanley 6.45%	1,100.000	24 890	27,500 00	27,379.00
NY NY 3.947% 10-01-19	25,000 000	111.852	25,000 00	27,963.00
Pitney Bowes 4 75%	25,000 000	102.924	25,000.00	25,731.00
Prude 6 00% 12-01-17	75,000.000	119.988	74,550.00	89,991.00
Railsplitter 4.125%	25,000 000	108.550	24,969 25	27,137.50
Southrn CA PFD 5 625%	600 000	25.800	15,000 00	15,480.00
Wachovia 5 75% 2-1-18	50,000 000	119.804	50,000.00	59,902.00
Wells Fargo 7.875%	2,000.000	25.330	50,000.00	50,660.00
Western Union 2.875%	25,000 000		25,000.00	24,771 25
			\$ 1,307,428.80	\$ 1,383,405.80