



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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 BRADY FOUNDATION		A Employer identification number 58-1705736
Number and street (or P.O. box number if mail is not delivered to street address) PO BOX 1040		B Telephone number (see instructions) 704-633-5982
City or town, state, and ZIP code SALISBURY, NC 28145-1040		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <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"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 361028		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)

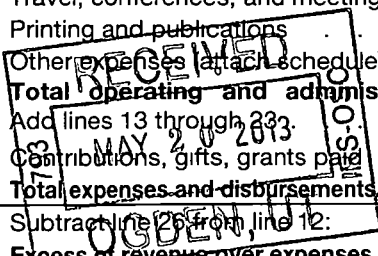
Part I		Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)		51358			
	2	Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
	3	Interest on savings and temporary cash investments		4	4	0	
	4	Dividends and interest from securities					
	5a	Gross rents					
	b	Net rental income or (loss) _____					
	6a	Net gain or (loss) from sale of assets not on line 10					
	b	Gross sales price for all assets on line 6a _____					
	7	Capital gain net income (from Part IV, line 2) .					
	8	Net short-term capital gain					
	9	Income modifications					
	10a	Gross sales less returns and allowances _____					
Operating and Administrative Expenses	b	Less: Cost of goods sold					
	c	Gross profit or (loss) (attach schedule)					
	11	Other income (attach schedule)		500			
	12	Total. Add lines 1 through 11		51862	4	0	
	13	Compensation of officers, directors, trustees, etc					
	14	Other employee salaries and wages					
	15	Pension plans, employee benefits					
	16a	Legal fees (attach schedule)					
	b	Accounting fees (attach schedule)					
	c	Other professional fees (attach schedule)					
	17	Interest					
	18	Taxes (attach schedule) (see instructions)					
19	Depreciation (attach schedule) and depletion .						
20	Occupancy						
21	Travel, conferences, and meetings						
22	Printing and publications						
23	Other expenses (attach schedule)		30	0	0	30	
24	Total operating and administrative expenses. Add lines 13 through 23.		30	0	0	30	
25	Contributions, gifts, grants paid		84911			84911	
26	Total expenses and disbursements. Add lines 24 and 25		84941	0	0	84941	
27	Subtract line 26 from line 12:						
a	Excess of revenue over expenses and disbursements		-33079				
b	Net investment income (if negative, enter -0-) .			4			
c	Adjusted net income (if negative, enter -0-) .				0		

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form **990-PF** (2012)

SCANNED MAY 22 2013



16

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing		16210	3131	3131
	2 Savings and temporary cash investments		377897	357897	357897
	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				
	10a Investments—U.S. and state government obligations (attach schedule)				
	b Investments—corporate stock (attach schedule)				
	c Investments—corporate bonds (attach schedule)				
	11 Investments—land, buildings, and equipment: basis ▶				
Liabilities	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)		394107	361028	361028
	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 ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted		394107	361028	
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds				
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds				
Net Assets or Fund Balances	30 Total net assets or fund balances (see instructions)		394107	361028	
	31 Total liabilities and net assets/fund balances (see instructions)		394107	361028	

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	394107
2 Enter amount from Part I, line 27a	2	-33079
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	361028
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	361028

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 NONE					
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					
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)		<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; border-right: 1px solid black; padding: 0 5px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div> </div>		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) (see instructions). If (loss), enter -0- in Part I, line 8				3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

(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	130154	456786	0.2849
2010	172309	561653	0.3068
2009	194811	662588	0.2940
2008	112072	275437	0.4069
2007	101703	54644	1.8612
2 Total of line 1, column (d)			
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			
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			
5 Multiply line 4 by line 3			
6 Enter 1% of net investment income (1% of Part I, line 27b)			
7 Add lines 5 and 6			
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.			

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	0	00
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	0	00
4. Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5. Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	0	00
6. Credits/Payments:			
a. 2012 estimated tax payments and 2011 overpayment credited to 2012	6a		
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		
8. Enter any penalty for underpayment of estimated tax. Check here <input 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	0	00
10. Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11. Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	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?		✓
b. Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		✓
c. Did the foundation file Form 1120-POL for this year?		✓
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? <i>If "Yes," attach a detailed description of the activities</i>		✓
3. Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		✓
4a. Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
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? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
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?	✓	
7. Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
8a. Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NORTH CAROLINA		
b. If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	✓	
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)? <i>If "Yes," complete Part XIV</i>		✓
10. Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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		✓
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		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	✓	
14	The books are in care of ► <u>ARTHUR L HATTAWAY JR</u> Telephone no. ► <u>704-633-5982</u> Located at ► <u>120 1/2 N CHURCH ST SALISBURY NC</u> ZIP+4 ► <u>28144</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here. and enter the amount of tax-exempt interest received or accrued during the year	15		<input type="checkbox"/>
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 ✓

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	
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	✓
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 ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.</i>)	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

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

5a. During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ Nob If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ NoOrganizations relying on a current notice regarding disaster assistance check here ☐ Yes ☒ Noc 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 ☒ Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ Nob If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED SCHEDULE PO BOX 1040 SALISBURY, NC 28145	TRUSTEE PART-TIME	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 ☐ Yes ☒ No

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

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

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

	Amount
1 N/A	
2	
All other program-related investments. See instructions	
3 N/A	
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	
b	Average of monthly cash balances	1b	395568
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	395568
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	395568
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	5934
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	389634
6	Minimum investment return. Enter 5% of line 5	6	19482

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	19482
2a	Tax on investment income for 2012 from Part VI, line 5	2a	0
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	0
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	19482
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	19482
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	19482

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	84941
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	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	84941
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	84941

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				19482
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			0	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2012:				
a From 2007	98075			
b From 2008	144046			
c From 2009	161682			
d From 2010	143903			
e From 2011	107315			
f Total of lines 3a through e	655021			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 84941				
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				19482
e Remaining amount distributed out of corpus	65459			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	720480			
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 instructions			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) (see instructions)	0			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	98075			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	622405			
10 Analysis of line 9:				
a Excess from 2008	144046			
b Excess from 2009	161682			
c Excess from 2010	143903			
d Excess from 2011	107315			
e Excess from 2012	65459			

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

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			(e) Total
(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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).)

NONE

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

NONE

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

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

- a.** The name, address, and telephone number or e-mail of the person to whom applications should be addressed:

N/A

- b.** The form in which applications should be submitted and information and materials they should include:

N/A

- c.** Any submission deadlines:

N/A

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

N/A

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i>				
SEE ATTACHED SCHEDULE	N/A	TAX- EXEMPT	CHARITABLE USE	84911
Total			▶ 3a	84911
b <i>Approved for future payment</i>				
NONE				
Total			▶ 3b	

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 (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue:					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	4	
4	Dividends and interest from securities					
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					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a VOIDED CHECKS					500
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)					
13	Total. Add line 12, columns (b), (d), and (e)					13

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

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

[illegible]

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?

	Yes	No
1a(1)		✓
1a(2)		✓
1b(1)		✓
1b(2)		✓
1b(3)		✓
1b(4)		✓
1b(5)		✓
1b(6)		✓
1c		✓

- (1) Cash

- (2) Other assets

b Other transactions:

- (1) Sales of assets to a noncharitable exempt organization**

- (2) Purchases of assets from a noncharitable exempt organization**

- (3) Rental of facilities, equipment, or other assets**

- (4) Reimbursement arrangements**

- (5) Loans or loan guarantees**

- (6) Performance of services or membership or fundraising solicitations**

- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

[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.

Signature of officer or trustee

15/15/13
Date

Asst Secretary
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

PAMELA P HIPPO CPA

Pamela D. Nepp, CPA

5-15-13

P00737567

Firm's name ▶ PAMELA P HIPPI CPA

Firm's EIN ▶ 26-4300546

Firm's address ► 1175 BEE LINE LANE SALISBURY NC 28147

Phone no 704-633-5982

Schedule B(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2012**Name of the organization**

BRADY FOUNDATION

Employer identification number

58-1705736

Organization type (check one):**Filers of:****Section:**

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization
BRADY FOUNDATION

Employer identification number
58-1705736

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	B V HEDRICK GRAVEL & SAND COMPANY INC PO BOX 1040 SALISBURY, NC 28144	\$ 26370	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	AGGREGATE RESOURCES PO BOX 1040 SALISBURY, NC 28145	\$ 7117	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	MATERIAL SALES COMPANY INC PO BOX 1040 SALISBURY, NC 28145	\$ 13574	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	CUMBERLAND GRAVEL & SAND COMPANY PO BOX 1040 SALISBURY, NC 28145	\$ 4297	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization
BRADY FOUNDATION

Employer identification number
58-1705736

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	

Name of organization

Employer identification number

BRADY FOUDATION

58-1705736

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ► \$

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

BRADY FOUNDATION
DECEMBER 31, 2012

58-1705736

FORM 990-PF, PAGE 6, PART VIII, LINE 1
SCHEDULE OF OFFICERS

<u>Name</u>	<u>Position</u>	<u>Address</u>
Jane B. Arnold	President	Salisbury, NC
Margaret R. Brady	V. President	Salisbury, NC
Burl H. Brady	Secretary/Treasurer	Salisbury, NC
Arthur L. Hattaway, Jr	Asst. Secretary	Salisbury, NC

FORM 990-PF, PAGE 11, PART VX, LINE 3
NAMES OF RECIPIENTS

Recipient	Amount	Address	City	State	Zip
AIDS/LifeCycle	500	Dept 34745	PO BOX 39000	SAN FRANCISCO	CA 94139
Alma & Charles Brady Endowment for Cancer Research - Duke Comprehensive Cancer Center	1000	BOX 90581	Durham	NC	27708-0581
American Diabetes Association	500	PO BOX 11454	ALEXANDRIA	VA	22312
American Red Cross	500	PO BOX 4002018	DES MOINES	IA	50340-2018
Aspen Community School	5000	PO BOX 336	WOODY CREEK	CO	81656
Aspen Center for Environmental Studies	650	100 PUPPY SMITH ST	ASPEN	CO	81611
Aspen Education Foundation	500	PO BOX 2200	ASPEN	CO	81612
Aspen Public Radio	1000	110 E HALLAM ST	ASPEN	CO	81611
Aspen Valley Ski Club	100	300 AVSC Drive	ASPEN	CO	81611
Aspen Youth Center	400	PO BOX 8266	ASPEN	CO	81612
Blue Ridge Parkway Foundation	500	717 S MARSHALL ST	WINSTON SALEM	NC	27101
Boys and Girls Clubs of Greater Charlotte	10000	PO BOX 31128	CHARLOTTE	NC	28231
Catawba College-Brady Author's Symposium	10000	2300 WEST INNES ST	SALISBURY	NC	28144-2488
Catawba College-Chiefs Club	50	2300 WEST INNES ST	SALISBURY	NC	28144-2488
Charles M. Schulz Foundation	50	1 SNOOPY PLACE	Santa Rosa	CA	95403-2665
Chnst Church	1000	1412 PROVIDENCE RD	CHARLOTTE	NC	28207
Common Sense Regeneration Project	2000	PO BOX 8064	ASPEN	CO	81612
Community Medical Clinic of Kershaw County	300	110 E DEKALB ST #C	CAMDEN	SC	29020
Compass	150	PO BOX 336	WOODY CREEK	CO	81656
Conservation Trust of N C	1000	1028 WASHINGTON ST	RALEIGH	NC	27605
Denison University	1000	PO BOX 716	GRANVILLE	OH	43023
Diabetes Research Foundation	1000	PO BOX 11454	ALEXANDRIA	VA	22312
Duke University	1500	BOX 90581	DURHAM	NC	27708
Elon Home for Children	500	1717 SHARON RD WEST	CHARLOTTE	NC	28210
Foundation for the Carolinas - Salisbury Community Foundation	5000	220 N TRYON ST	CHARLOOTE	NC	28202
George Washington University	1000	2100 M STREET, NW	WASHINGTON	DC	20052
Harvard University Graduate School of Business	1000	124 MOUNT AUBURN ST	CAMBRIDGE	MA	02138-5795
Heifer International	50	1 WORLD AVE	LITTLE ROCK	AR	72202
Hollins University Capital Campaign	3000	PO BOX 9629	ROANOKE	VA	24020-1629
Housing Opportunity Foundation	276	PO BOX 35511	CHARLOTTE	NC	28235
Iron Dukes	250	BOX 90581	DURHAM	NC	27708
Kappa Alpha Theta	250	8740 FOUNDERS RD	INDIANAPOLIS	IN	46268
M. D. Anderson	1500	PO BOX 4486	HOUSTON	TX	77210-4486
MIT Sloan Annual Fund	1000	600 MEMORIAL DRIVE W98-300	CABRIDGE	MA	02139
Myers Park Presbyterian Church	50	2501 OXFORD PL	CHARLOTTE	NC	28207
Myers Park United Methodist Church	50	1501 QUEENS RD	CHARLOTTE	NC	28207
National Cathedral School	1000	MOUNT SAINT ALBAN	WASHINGTON	DC	20016
National Presbyterian School	750	4121 NEBRASKA AVE N W	WASHINGTON	DC	20016-2735
Netivot Isreal Congregation	1000	1617 OCEAN PARKWAY	BROOKLYN	NY	11223
NCSU FOUNDATION INC	5000	Box 7474	RALEIGH	NC	27695-7474
Redwood High School Benchwarmers	1000	395 DOHERTY DR	LARKSPUR	CA	94939
Rowan Regional Medical Foundation	1000	612 MOCKSVILLE AVE	SALISBURY	NC	28144
Saint Mary's School	1000	900 HILLSBOROUGH ST	RALEIGH	NC	27603
Samantan's Purse	200	PO BOX 3000	BOONE	NC	28607
Stallings Memorial Baptist Church	100	817 S MAIN ST	SALISBURY	NC	28144
Sustainable Settings	500	6107 HIGHWAY 133	CARBONDALE	CO	81623
The Club Foundation Inc	500	8500 RIVER RD	BETHESDA	MD	20817
The Hentage Foundation	1000	214 MASSACHUSETTS NE	WASHINGTON	DC	20002
The Salvation Army - Charlotte	1000	4335 STUART ANDREW BLVD	CHARLOTTE	NC	28217
The Salvation Army - Salisbury	1000	PO BOX 625	SALISBURY	NC	28145-0625
The Upton Trco	50	2233 FOREST DRIVE	CAMDEN	SC	29020-2062
The Westminster Schools	100	1424 WEST PACES FERRY RD, NW	ATLANTA	GA	30327
The Yellowstone Park Foundation	1000	222 EAST MAIN ST #301	BOZEMAN	MT	59715
Tnnly Episcopal Church	50	472 N MAIN ST	MT AIRY	NC	27030
USCG Foundation	1000	394 TAUGWONK RD	STONINGTON	CT	06378
USCGA Alumni Association	2500	47 MOHEGAN AVE	NEW LONDON	CT	06320-8111
WAMU	1000	4400 MASSCHUSETTS	WASHINGTON	DC	20016-8082
Washington Ballet	7500	3515 WISCONSIN AVE NW	WASHINGTON	DC	20016
WETA	1000	3939 CAMPBELL AVE	ARLINGTON	VA	22206
Woodberry Forest School	3000	402 WOODBERRY STATION	WOODBERRY FOREST	VA	22989
Woody Creek Community Center	35	PO BOX 4	WOODY CREEK	CO	81656

\$ 84,911