



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**

**, and ending**

<b>Name of foundation</b> <b>THE YEARGAN FOUNDATION CHARITABLE TRUST</b>		<b>A Employer identification number</b> <b>58-1846281</b>
<b>Number and street (or P O box number if mail is not delivered to street address)</b> <b>7777 WHITE OAK ROAD</b>	<b>Room/suite</b>	<b>B Telephone number (see instructions)</b> <b>919-571-3669</b>
<b>City or town, state, and ZIP code</b> <b>GARNER NC 27529-8808</b>		<b>C If exemption application is pending, check here</b> <input type="checkbox"/>
<b>G Check all that apply</b> <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Initial return  <input type="checkbox"/> Final return  <input type="checkbox"/> Address change         </div> <div> <input type="checkbox"/> Initial return of a former public charity  <input type="checkbox"/> Amended return  <input type="checkbox"/> Name change         </div> </div>		<b>D 1 Foreign organizations, check here</b> <input type="checkbox"/> <b>2 Foreign organizations meeting the 85% test, check here and attach computation</b> <input type="checkbox"/>
<b>H Check type of organization</b> <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		<b>E If private foundation status was terminated under section 507(b)(1)(A), check here</b> <input type="checkbox"/>
<b>I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 16,209,409</b> (Part I, column (d) must be on cash basis)		<b>F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here</b> <input type="checkbox"/>
<b>J Accounting method</b> <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)		

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)	50,000			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	32,699	32,699		
	4 Dividends and interest from securities	314,276	314,276		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	106,565			
	b Gross sales price for all assets on line 6a	1,382,966			
	7 Capital gain net income (from Part IV, line 2)		106,565		
	8 Net short-term capital gain			0	
	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) <b>STMT 1</b>	67,295			
	12 <b>Total. Add lines 1 through 11</b>	570,835	453,540	0	
	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) <b>SEE STMT 2</b>	36,285			36,285
	b Accounting fees (attach schedule) <b>STMT 3</b>	800	800		
	c Other professional fees (attach schedule) <b>STMT 4</b>	5,125			5,125
	17 Interest				
	18 Taxes (attach schedule) (see instructions) <b>STMT 5</b>	7,097	7,050		47
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att sch) <b>STMT 6</b>	70,180	70,180		
	24 <b>Total operating and administrative expenses. Add lines 13 through 23</b>	119,487	78,030	0	41,457
	25 Contributions, gifts, grants paid <b>SEE STATEMENT 7</b>	2,094,167			2,094,167
	26 <b>Total expenses and disbursements. Add lines 24 and 25</b>	2,213,654	78,030	0	2,135,624
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-1,642,819			
	b Net investment income (if negative, enter -0-)		375,510		
	c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2012)

916 19

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments		69,517	487,125	487,125
	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 ▶	0			
	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) <b>SEE STMT 8</b>		5,447,746	5,296,427	9,969,235
	c	Investments – corporate bonds (attach schedule) <b>SEE STMT 9</b>		619,204	373,374	397,026
	11	Investments – land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶ <b>STMT 10</b>	1,868,581	2,042,142	1,868,581	5,726,494
	12	Investments – mortgage loans				
	13	Investments – other (attach schedule)				
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶				
15	Other assets (describe ▶ <b>SEE STATEMENT 11</b> )		-363,860	-370,471	-370,471	
16	<b>Total assets</b> (to be completed by all filers – see the instructions Also, see page 1, item I)		7,814,749	7,655,036	16,209,409	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶ )				
	23	<b>Total liabilities</b> (add lines 17 through 22)		0	0	
Net Assets or Fund Balances		<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> ▶ <input type="checkbox"/>				
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
		<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> ▶ <input checked="" type="checkbox"/>				
	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		7,814,749	7,655,036	
	30	<b>Total net assets or fund balances</b> (see instructions)		7,814,749	7,655,036	
31	<b>Total liabilities and net assets/fund balances</b> (see instructions)		7,814,749	7,655,036		

**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	7,814,749
2	Enter amount from Part I, line 27a	2	-1,642,819
3	Other increases not included in line 2 (itemize) ▶ <b>SEE STATEMENT 12</b>	3	1,483,106
4	Add lines 1, 2, and 3	4	7,655,036
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	7,655,036

**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.)
<b>1a SEE WORKSHEET</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
(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)	
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
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))	
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>2</b> Capital gain net income or (net capital loss) <span style="border: 1px solid black; padding: 2px;">If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7</span>			<b>2</b>	<b>106,565</b>
<b>3</b> 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 <span style="border: 1px solid black; padding: 2px;">If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8</span>			<b>3</b>	<b>423</b>

**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	<b>442,489</b>	<b>16,430,050</b>	<b>0.026932</b>
2010	<b>584,495</b>	<b>13,316,284</b>	<b>0.043893</b>
2009	<b>479,189</b>	<b>12,584,062</b>	<b>0.038079</b>
2008	<b>776,517</b>	<b>13,288,235</b>	<b>0.058436</b>
2007	<b>438,200</b>	<b>8,982,063</b>	<b>0.048786</b>
<b>2</b> Total of line 1, column (d)			<b>2</b> <b>0.216126</b>
<b>3</b> 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			<b>3</b> <b>0.043225</b>
<b>4</b> Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			<b>4</b> <b>16,641,476</b>
<b>5</b> Multiply line 4 by line 3			<b>5</b> <b>719,328</b>
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)			<b>6</b> <b>3,755</b>
<b>7</b> Add lines 5 and 6			<b>7</b> <b>723,083</b>
<b>8</b> 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			<b>8</b> <b>2,135,624</b>

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

<b>1a</b>	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>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	3,755
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	0
<b>3</b>	Add lines 1 and 2	<b>3</b>	3,755
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	0
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	3,755
<b>6</b>	<b>Credits/Payments</b>		
<b>a</b>	2012 estimated tax payments and 2011 overpayment credited to 2012	<b>6a</b>	
<b>b</b>	Exempt foreign organizations – tax withheld at source	<b>6b</b>	
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>	
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	<b>8</b>	85
<b>9</b>	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>	3,840
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	
<b>11</b>	Enter the amount of line 10 to be <b>Credited to 2013 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	<b>11</b>	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> 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>1b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? If the answer is "Yes" to <b>1a</b> or <b>1b</b> , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
<b>1c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
<b>2</b> 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
<b>3</b> 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
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
<b>6</b> 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	
<b>7</b> 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	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> <b>NONE</b>		
<b>b</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 <b>SEE STMT 13</b>		X
<b>9</b> 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
<b>10</b> Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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

<b>11</b> 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)	<b>11</b>		<b>X</b>
<b>12</b> 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)	<b>12</b>		<b>X</b>
<b>13</b> Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <b>N/A</b>	<b>13</b>	<b>X</b>	
<b>14</b> The books are in care of ▶ <b>ROWANN YEARGAN</b> Telephone no ▶ <b>7777 WHITE OAK ROAD</b> Located at ▶ <b>GARNER</b> NC ZIP+4 ▶ <b>27529</b>			
<b>15</b> 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	<b>15</b>	▶ <input type="checkbox"/>	
<b>16</b> 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 ▶	<b>16</b>	Yes	No <b>X</b>

**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
<b>1a</b> 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>b</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	<b>N/A</b> ▶ <input type="checkbox"/>	<b>1b</b>	
<b>c</b> 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?	<b>N/A</b>	<b>1c</b>	
<b>2</b> 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))			
<b>a</b> 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? If "Yes," list the years ▶ 20 , 20 , 20 , 20	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> 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 )	<b>N/A</b>	<b>2b</b>	
<b>c</b> 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			
<b>3a</b> 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>b</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 )	<b>N/A</b>	<b>3b</b>	
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		<b>4a</b>	<b>X</b>
<b>b</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?		<b>4b</b>	<b>X</b>

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

**b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **N/A** ☐ **5b**

Organizations relying on a current notice regarding disaster assistance check here ☐

**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **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** ☐ Yes ☒ No **X**

If "Yes" to 6b, file Form 8870

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **7b**

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1 List all officers, directors, trustees, foundation managers and their compensation** (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ROWANN YEARGAN 7777 WHITE OAK ROAD NC 27529	GARNER TRUSTEE 1.00	0	0	0
SHERMAN YEARGAN 7777 WHITE OAK ROAD NC 27529	GARNER TRUSTEE 5.00	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

**0**

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

**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

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

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

**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
<b>1</b> N/A	
<b>2</b>	
<b>3</b>	
<b>4</b>	

**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
<b>1</b> N/A	
<b>2</b>	
All other program-related investments See instructions	
<b>3</b>	

Total. Add lines 1 through 3 ▶



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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	10,230,652
<b>b</b>	Average of monthly cash balances	<b>1b</b>	278,321
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	6,385,926
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	16,894,899
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	16,894,899
<b>4</b>	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	<b>4</b>	253,423
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	<b>5</b>	16,641,476
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	832,074

**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 )

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	832,074
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5	<b>2a</b>	3,755
<b>b</b>	Income tax for 2012 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	3,755
<b>3</b>	Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	828,319
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	828,319
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	828,319

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
<b>a</b>	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	<b>1a</b>	2,135,624
<b>b</b>	Program-related investments – total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	2,135,624
<b>5</b>	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)	<b>5</b>	3,755
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	2,131,869

**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
<b>1</b> Distributable amount for 2012 from Part XI, line 7				<b>828,319</b>
<b>2</b> Undistributed income, if any, as of the end of 2012				
<b>a</b> Enter amount for 2011 only			<b>436,162</b>	
<b>b</b> Total for prior years 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2012				
<b>a</b> From 2007				
<b>b</b> From 2008				
<b>c</b> From 2009				
<b>d</b> From 2010				
<b>e</b> From 2011				
<b>f</b> Total of lines 3a through e				
<b>4</b> Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ <b>2,135,624</b>				
<b>a</b> Applied to 2011, but not more than line 2a			<b>436,162</b>	
<b>b</b> Applied to undistributed income of prior years (Election required – see instructions)				
<b>c</b> Treated as distributions out of corpus (Election required – see instructions)				
<b>d</b> Applied to 2012 distributable amount				<b>828,319</b>
<b>e</b> Remaining amount distributed out of corpus	<b>871,143</b>			
<b>5</b> Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a) )				
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	<b>871,143</b>			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b				
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b Taxable amount – see instructions				
<b>e</b> Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount – see instructions				
<b>f</b> Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				<b>0</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
<b>8</b> Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)				
<b>9</b> Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	<b>871,143</b>			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2008				
<b>b</b> Excess from 2009				
<b>c</b> Excess from 2010				
<b>d</b> Excess from 2011				
<b>e</b> Excess from 2012	<b>871,143</b>			

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

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

<b>1</b> <b>Information Regarding Foundation Managers:</b>
<b>a</b> 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) ) <b>N/A</b>
<b>b</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 <b>N/A</b>
<b>2</b> <b>Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:</b>
Check here <input checked="" type="checkbox"/> 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
<b>a</b> The name, address, and telephone number or e-mail of the person to whom applications should be addressed <b>N/A</b>
<b>b</b> The form in which applications should be submitted and information and materials they should include <b>N/A</b>
<b>c</b> Any submission deadlines <b>N/A</b>
<b>d</b> Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors <b>N/A</b>

**Part XV** **Supplementary Information** (continued)

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

Recipient	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
Name and address (home or business)				
<b>a</b> Paid during the year <b>SEE STATEMENT 14</b>				<b>2,094,167</b>
<b>Total</b>			<b>▶ 3a</b>	<b>2,094,167</b>
<b>b</b> Approved for future payment <b>N/A</b>				
<b>Total</b>			<b>▶ 3b</b>	

## 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	32,699	
4	Dividends and interest from securities			14	314,276	
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			14	106,565	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a					
b	SEE STATEMENT 15				67,295	
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)		0		520,835	0
13	Total. Add line 12, columns (b), (d), and (e)				13	520,835

(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**

- 1** Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
- a** *Transfers from the reporting foundation to a noncharitable exempt organization of*
- (1) Cash
- (2) Other assets
- b** *Other transactions*
- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations
- c** *Sharing of facilities, equipment, mailing lists, other assets, or paid employees*
- d** *If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.*

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

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

- b** If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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.

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

**Sign  
Here**

Signature of officer or trustee

Date \_\_\_\_\_

**Title**

PnnT/Type preparer's name

Preparer's signature

Date \_\_\_\_\_

Check ☒ if self-employed

**Paid**

Preparer  
Use Only

J. KELLY LANIER

Firm's name ► **ROMEO, WIGGINS & COMPANY, ~~LLP~~**

PTIN P01240701

Firm's address ▶ 8210 CREEDMOOR RD., (#202)  
RALEIGH, NC 27613

Firm's EIN ▶ 56-1627242

Phone no **919-870-5151**

Form **990-PF** (2012)

**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

**THE YEARGAN FOUNDATION CHARITABLE  
TRUST**

Employer identification number

**58-1846281**

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 foundation

Check 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<sup>1</sup>/<sub>3</sub> % 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).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization <b>THE YEARGAN FOUNDATION CHARITABLE</b>	Employer identification number <b>58-1846281</b>
--	---

**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	ROWANN YEARGAN 610A EAST GARNER ROAD  GARNER NC 27529	\$ 50,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )



**Capital Gains and Losses for Tax on Investment Income**Form **990-PF****2012**

For calendar year 2012, or tax year beginning

, and ending

Name

**THE YEARGAN FOUNDATION CHARITABLE TRUST**

Employer Identification Number

**58-1846281**

(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.)
(1) 44.498 SHS INVESCO INTL GROWTH FUND	P	VARIOUS	VARIOUS
(2) 3518.037 SHS INVESCO INTL GROWTH FUN	P	VARIOUS	VARIOUS
(3) 82.778 SHS LORD ABBETT AFFILIATED FU	P	VARIOUS	VARIOUS
(4) 73.13 SHS LORD ABBETT AFFILIATED FUN	P	VARIOUS	VARIOUS
(5) 11364.157 SHS LORD ABBETT AFFILIATED	P	VARIOUS	VARIOUS
(6) 23.176 SHS THORNBURG INTL VALUE FUND	P	VARIOUS	VARIOUS
(7) 3741.707 SHS THORNBURG INTL VALUE FU	P	VARIOUS	VARIOUS
(8) 37.738 SHS THORNBURG INTL VALUE FUND	P	VARIOUS	VARIOUS
(9) 20.913 SHS CAPITAL WORLD GROWTH & IN	P	03/19/12	03/21/12
(10) 137.201 SHS CAPITAL WORLD GROWTH & I	P	VARIOUS	03/21/12
(11) 19.579 SHS EUROPACIFIC GROWTH FUND C	P	12/28/11	06/13/12
(12) BELL SOUTH CORP NOTES	P	02/05/09	06/29/12
(13) BERKSHIRE HATHAWAY FIN NOTES	P	02/06/09	05/15/12
(14) BEST BUY CO NOTES	P	08/05/11	08/06/12
(15) 4848.418 SHS CAPITAL WORLD GROWTH &	P	VARIOUS	03/21/12

(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)
(1) 1,216		1,137	79
(2) 96,148		90,658	5,490
(3) 906		921	-15
(4) 800		759	41
(5) 124,324		157,182	-32,858
(6) 604		553	51
(7) 97,584		98,840	-1,256
(8) 984		954	30
(9) 744		748	-4
(10) 4,882		4,650	232
(11) 697		688	9
(12) 25,421		25,398	23
(13) 25,000		26,108	-1,108
(14) 24,408		25,688	-1,280
(15) 172,507		191,614	-19,107

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))
(1)			79
(2)			5,490
(3)			-15
(4)			41
(5)			-32,858
(6)			51
(7)			-1,256
(8)			30
(9)			-4
(10)			232
(11)			9
(12)			23
(13)			-1,108
(14)			-1,280
(15)			-19,107

## Capital Gains and Losses for Tax on Investment Income

Form **990-PF****2012**

For calendar year 2012, or tax year beginning

, and ending

Name

**THE YEARGAN FOUNDATION CHARITABLE TRUST**

Employer Identification Number

**58-1846281**

(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.)
(1) 1000 CISCO SYSTEMS	P	10/13/08	10/04/12
(2) CLOROX NOTES	P	02/05/09	10/15/12
(3) DOMINION RESOURCES NOTES	P	02/06/09	09/17/12
(4) 2200 DUKE ENERGY CORP	P	VARIOUS	VARIOUS
(5) 1166.801 SHS EUROPACIFIC GROWTH FUND	P	VARIOUS	06/13/12
(6) 1500 GENERAL ELECTRIC	P	VARIOUS	06/13/12
(7) HEINZ FINANCE CO NOTES	P	02/05/09	03/15/12
(8) 500 INTEL CORP	P	10/13/08	03/14/12
(9) 500 LANDAUER INC	P	10/13/08	10/04/12
(10) LEHMAN BROTHERS NOTES	P	07/24/07	04/17/12
(11) 2745 MERCURY GENERAL CORP	P	VARIOUS	03/13/12
(12) MIDAMERICAN ENERGY HOLDINGS NOTE	P	04/03/09	10/01/12
(13) ONEBEACON US HOLDINGS NOTE	P	01/14/09	12/10/12
(14) PROGRESSIVE CORP NOTES	P	01/14/09	01/17/12
(15) 1641 SHS SPECTRA ENERGY CORP	P	05/05/99	10/04/12

(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)
(1) 18,913		18,550	363
(2) 25,000		25,973	-973
(3) 10,000		10,281	-281
(4) 143,928		104,459	39,469
(5) 41,550		28,061	13,489
(6) 28,950		45,612	-16,662
(7) 20,000		20,782	-782
(8) 13,897		8,195	5,702
(9) 29,443		29,443	
(10) 1,809		29,972	-28,163
(11) 120,743		115,860	4,883
(12) 25,000		26,197	-1,197
(13) 25,561		26,140	-579
(14) 4,000		4,199	-199
(15) 49,170		38,453	10,717

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))
(1)			363
(2)			-973
(3)			-281
(4)			39,469
(5)			13,489
(6)			-16,662
(7)			-782
(8)			5,702
(9)			
(10)			-28,163
(11)			4,883
(12)			-1,197
(13)			-579
(14)			-199
(15)			10,717

## Capital Gains and Losses for Tax on Investment Income

Form **990-PF****2012**

For calendar year 2012, or tax year beginning

, and ending

Name

**THE YEARGAN FOUNDATION CHARITABLE TRUST**

Employer Identification Number

**58-1846281**

(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.)
(1) <b>UST INC GLOBAL NOTES</b>	<b>P</b>	<b>01/16/09</b>	<b>07/16/12</b>
(2) <b>454 SHS WHITE MOUNTAIN INS GROUP</b>	<b>P</b>	<b>VARIOUS</b>	<b>VARIOUS</b>
(3) <b>LEHMAN BROTHERS NOTE</b>	<b>P</b>	<b>VARIOUS</b>	<b>10/01/12</b>
(4) <b>ROUNDING</b>	<b>P</b>	<b>VARIOUS</b>	<b>VARIOUS</b>
(5) <b>RBC DAIN RAUSCHER</b>			
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

(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)
(1) <b>25,000</b>		<b>25,484</b>	<b>-484</b>
(2) <b>209,476</b>		<b>92,842</b>	<b>116,634</b>
(3) <b>1,151</b>			<b>1,151</b>
(4) <b>9</b>			<b>9</b>
(5) <b>13,141</b>			<b>13,141</b>
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

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))
(1)			<b>-484</b>
(2)			<b>116,634</b>
(3)			<b>1,151</b>
(4)			<b>9</b>
(5)			<b>13,141</b>
(6)			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

## STATEMENT REPORTING DISTRIBUTION OF PROPERTY VALUED AT FAIR MARKET VALUE

**Organization:** THE YEARGAN FOUNDATION CHARITABLE TRUST  
**EIN:** 58-1846281  
**Tax Year Ended:** 12/31/2012

### Attachment to Form 990-PF, Part I, Line 25, Column (a)

Distributions of property valued at fair market value at date of distribution

1	Date of Distribution	10/29/2012
2	Description of Property	66 667% Undivided interest in 12 01 Acres, Garner, NC
3	Book Value of Property	\$ 173,561 00
	Method for determining book value	Value at date of inheritance or cost basis
4	Fair Market Value	\$ 1,656,667 00
	Method for determining fair market value	Appraisal

# Federal Statements

## Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
LC YEARGAN SR HEIRS	\$ 31,502	\$	\$
LC YEARGAN SR HEIRS	989		
LC YEARGAN SR HEIRS	4,787		
YEARGAN REAL ESTATE JV	31,227		
YEARGAN REAL ESTATE JV	2		
LEIGH VENTURES, LLC	-1,643		
LEIGH VENTURES, LLC	279		
LEIGH VENTURES, LLC	-33		
WINTERS YOUNG, LLC	-80		
SPRINGHILL VENTURES, LLC	265		
TOTAL	\$ 67,295	\$ 0	\$ 0

## Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INDIRECT LEGAL FEES	\$ 36,285	\$	\$	\$ 36,285
TOTAL	\$ 36,285	\$ 0	\$ 0	\$ 36,285

## Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INDIRECT ACCOUNTING FEES	\$ 800	\$ 800	\$	\$
TOTAL	\$ 800	\$ 800	\$ 0	\$ 0

**Federal Statements**

58-1846281

FYE: 12/31/2012

5/15/2013 9:22 AM

**Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees**

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FORESTRY CONSULTANT APPRAISAL FEES	\$ 2,500 2,625	\$	\$	\$ 2,500 2,625
TOTAL	\$ 5,125	\$ 0	\$ 0	\$ 5,125

**Statement 5 - Form 990-PF, Part I, Line 18 - Taxes**

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
2009 INVESTMENT INCOME TAX FOREIGN TAXES PAID WINTERS YOUNG, LLC - REAL ESTATE	\$ 6,165 885 47	\$ 6,165 885	\$	\$ 47
TOTAL	\$ 7,097	\$ 7,050	\$ 0	\$ 47

**Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses**

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES BANK CHARGES	\$ 70,180	\$ 70,180	\$	\$
TOTAL	\$ 70,180	\$ 70,180	\$ 0	\$ 0

58-1846281

**Federal Statements**

FYE: 12/31/2012

**Statement 7 - Form 990-PF, Part I, Line 25 - Noncash Contributions, Gifts, Grants**

<u>Amount</u>	<u>Noncash Description</u>	<u>FMV Explanation</u>	<u>Book Value Amount</u>	<u>Book Value Explanation</u>	<u>Date</u>
200,000					8/01/12
133,200					12/14/12
25,000					9/19/12
25,000					2/15/12
25,000					1/09/12
2,000					1/09/12
2,000					2/15/12
250					5/01/12
20,000					8/07/12
50					9/10/12
5,000					8/30/12
1,656,667	LAND	APPRAISAL	173,561	INHERITED	10/29/12

## Federal Statements

58-1846281

FYE: 12/31/2012

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
RBC DAIN RAUSCHER	\$ 1,318,003	\$ 1,121,472	COST	\$ 1,152,615
WELLS FARGO	4,129,743	4,174,955	COST	8,816,620
TOTAL	\$ 5,447,746	\$ 5,296,427		\$ 9,969,235

Statement 9 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
WELLS FARGO	\$ 619,204	\$ 373,374	COST	\$ 397,026
TOTAL	\$ 619,204	\$ 373,374		\$ 397,026

Statement 10 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
REAL ESTATE	\$ 2,042,142	\$ 1,868,581	\$	\$ 5,726,494
TOTAL	\$ 2,042,142	\$ 1,868,581	\$ 0	\$ 5,726,494



58-1846281

**Federal Statements**

FYE: 12/31/2012

**Statement 11 - Form 990-PF, Part II, Line 15 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Fair Market Value</u>
INCOME DISTRIBUTIONS RECEIVABLE	\$ -565,860	\$ -572,471	\$ -572,471
OTHER INVESTMENTS	126,000	126,000	126,000
DEPOSIT	76,000	76,000	76,000
TOTAL	<u>\$ -363,860</u>	<u>\$ -370,471</u>	<u>\$ -370,471</u>

**Statement 12 - Form 990-PF, Part III, Line 3 - Other Increases**

<u>Description</u>	<u>Amount</u>
FMV OF LAND CONTRIBUTION OVER BASIS	\$ 1,483,106
TOTAL	<u>\$ 1,483,106</u>

**Statement 13 - Form 990-PF, Part VII-A, Line 8b - Not Filing with Attorney General**  
**Explanation**

Description

NOT REQUIRED IN NORTH CAROLINA.

## Federal Statements

5/15/2013 9:22 AM

58-1846281

FYE: 12/31/2012

Statement 14 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the  
Year

Name		Address		Relationship	Status	Purpose	Amount
Address							
DUKE UNIVERSITY		BOX 90581					
DURHAM NC 27708			PUBLIC			ENDOWMENT	200,000
UNIVERSITY OF NC		208 WEST FRANKLIN ST					
CHAPEL HILL NC 27599			PUBLIC			ENDOWMENT	133,200
DURHAM NATIVITY SCHOOL		PO BOX 3537					
DURHAM NC 27702			PUBLIC			CONTRIBUTION	25,000
GARNER AREA MINISTRIES		PO BOX 797				CONTRIBUTION	25,000
GARNER NC 27529			PUBLIC				
NEW BETHEL BAPTIST CHURCH			PUBLIC			CONTRIBUTION	
COMMUNITY OF HOPE MINISTRIES			PUBLIC			CONTRIBUTION	
ERNEST MYATT PRESBYTERIAN CHURCH			PUBLIC			CONTRIBUTION	
FIRST HEALTH HOSPICE		150 APPLECROSS ROAD				CONTRIBUTION	
PINEHURST NC 28374			PUBLIC			CONTRIBUTION	
GARNER VETS MEMORIAL COMMITTEE		PO BOX 560				CONTRIBUTION	25,000
GARNER NC 27529			PUBLIC				
MEDICAL FOUNDATION OF NC		PO BOX 309				CONTRIBUTION	2,000
CHAPEL HILL NC 27514-0309			PUBLIC				
OHT OUTFITTERS		8210 CREEDMOOR RD, SUITE				CONTRIBUTION	
RALEIGH NC 27613			PUBLIC			CONTRIBUTION	
YMCA OF THE TRIANGLE		801 CORPORATE CENTER DRIV				CONTRIBUTION	2,000
RALEIGH NC 27607			PUBLIC				
CHOWAN UNIVERSITY		ONE UNIVERSITY PLACE				CONTRIBUTION	250
MURFREESBORO NC 27855			PUBLIC				
WAKE TECH FOUNDATION						CONTRIBUTION	20,000
HOSPICE OF WAKE COUNTY		250 HOSPICE CIRCLE				CONTRIBUTION	50
RALEIGH NC 27607			PUBLIC				
TROUT UNLIMITED		1300 17TH ST N STE 500				CONTRIBUTION	5,000
ARLINGTON VA 22209			PUBLIC				
WAKEMED FOUNDATION		3000 NEW BERN AVENUE				CONTRIBUTION	1,656,667
RALEIGH NC 27610			PUBLIC				

**Federal Statements**

58-1846281

FYE: 12/31/2012

5/15/2013 9:22 AM

**Statement 14 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)**

Name	Address	Relationship	Status	Purpose	Amount
Address					
TOTAL					2,094,167

58-1846281

**Federal Statements**

FYE: 12/31/2012

**Statement 15 - Form 990-PF, Part XVI-A, Line 11 - Other Revenue**

<u>Description</u>	<u>Business Code</u>	<u>Unrelated Amount</u>	<u>Exclusion Code</u>	<u>Exclusion Amount</u>	<u>Related Income</u>
LC YEARGAN SR HEIRS		\$	16	\$ 31,502	\$
LC YEARGAN SR HEIRS			14	989	
LC YEARGAN SR HEIRS			1	4,787	
YEARGAN REAL ESTATE JV			16	31,227	
YEARGAN REAL ESTATE JV			14	2	
LEIGH VENTURES, LLC			16	-1,643	
LEIGH VENTURES, LLC			14	279	
LEIGH VENTURES, LLC			1	-33	
WINTERS YOUNG, LLC			16	-80	
SPRINGHILL VENTURES, LLC			16	265	
TOTAL		\$ <u>0</u>		\$ <u>67,295</u>	\$ <u>0</u>

58-1846281

**Federal Statements**

FYE: 12/31/2012

**Taxable Interest on Investments**

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
WELLS FARGO	\$ 30,063		14		
WELLS FARGO	61		14		
RBC	8		14		
RBC - US INTEREST	883		14		
US AGRICULTURE	1,684		14		
TOTAL	\$ 32,699				

**Taxable Dividends from Securities**

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
WELLS FARGO	\$ 287,559		14		
RBC DAIN RAUSCHER	26,717		14		
TOTAL	\$ 314,276				