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Form **990-PF**
**Return of Private Foundation**  
 or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

**2014**Department of the Treasury  
Internal Revenue Service
 ► Do not enter social security numbers on this form as it may be made public.  
 ► Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

Open to Public Inspection

For calendar year 2014 or tax year beginning , and ending

Name of foundation

**THE YEARGAN FOUNDATION CHARITABLE  
TRUST**

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

**7777 WHITE OAK ROAD**

A Employer identification number

**58-1846281**

B Telephone number (see instructions)

**919-571-3669**C If exemption application is pending, check here ► D 1. Foreign organizations, check here ► 2. Foreign organizations meeting the  
85% test, check here and attach computation ► E If private foundation status was terminated under  
section 507(b)(1)(A), check here ► F If the foundation is in a 60-month termination  
under section 507(b)(1)(B), check here ► 

Room/suite

**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

**H** Check type of organization.  Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation
**I** Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► **\$ 20,446,635** (Part I, column (d) must be on cash basis)
 

<b>J</b> Accounting method	<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)
------------------------------------	---------------------------	-------------------------	---

1 Contributions, gifts, grants, etc., received (attach schedule)			
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B			
3 Interest on savings and temporary cash investments	23,387	23,387	
4 Dividends and interest from securities	287,618	287,618	
5a Gross rents			
b Net rental income or (loss)			
6a Net gain or (loss) from sale of assets not on line 10	489,139		
b Gross sales price for all assets on line 6a	1,146,593		
7 Capital gain net income (from Part IV, line 2)		500,770	
8 Net short-term capital gain			
9 Income modifications			
10a Gross sales less returns and allowances			
b Less Cost of goods sold			
c Gross profit or (loss) (attach schedule)			
11 Other income (attach schedule)	47,712		
12 Total. Add lines 1 through 11	847,856	811,775	
13 Compensation of officers, directors, trustees, etc.	30,000	15,000	
14 Other employee salaries and wages			
15 Pension plans, employee benefits			
16a Legal fees (attach schedule) SEE STMT 2	3,978	3,978	
b Accounting fees (attach schedule) STMT 3	975	975	
c Other professional fees (attach schedule) STMT 4	40,294		40,294
17 Interest			
18 Taxes (attach schedule) (see instructions)	10,212	10,212	
19 Depreciation (attach schedule) and depletion			
20 Occupancy			
21 Travel, conferences, and meetings	1,876		1,876
22 Printing and publications			
23 Other expenses (att sch) STMT 6	85,519	85,519	
24 Total operating and administrative expenses.	172,854	115,684	0
Add lines 13 through 23			57,170
25 Contributions, gifts, grants paid	700,833		700,833
26 Total expenses and disbursements. Add lines 24 and 25	873,687	115,684	0
27 Subtract line 26 from line 12.	-25,831		
a Excess of revenue over expenses and disbursements			
b Net investment income (if negative, enter -0-)		696,091	
c Adjusted net income (if negative, enter -0-)			0

For Paperwork Reduction Act Notice, see instructions.

DAA

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Assets	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
1	Cash – non-interest-bearing				
2	Savings and temporary cash investments		654,434	293,072	293,072
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 (att schedule) ► SEE WRK	659,773	0	659,773	659,773
	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)	SEE STMT 7	5,239,764	5,091,591	13,237,377
c	Investments – corporate bonds (attach schedule)	SEE STMT 8	256,136	230,390	233,910
11	Investments – land, buildings, and equipment basis ►	1,618,936			
	Less accumulated depreciation (attach sch) ► STMT 9		1,922,377	1,618,936	5,494,807
12	Investments – mortgage loans				
13	Investments – other (attach schedule)				
14	Land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach sch) ►				
15	Other assets (describe ► SEE STATEMENT 10 )		-395,979	-242,861	527,696
16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)		7,676,732	7,650,901	20,446,635
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 ► )		0	0
	23	Total liabilities (add lines 17 through 22)		0	0
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.		► <input type="checkbox"/>		
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.		► <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	7,676,732	7,650,901	
	30	Total net assets or fund balances (see instructions)	7,676,732	7,650,901	
	31	Total liabilities and net assets/fund balances (see instructions)	7,676,732	7,650,901	

## 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	7,676,732
2	Enter amount from Part I, line 27a	2	-25,831
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	7,650,901
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	7,650,901

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Part IV Capital Gains and Losses for Tax on Investment Income

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(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brck warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE WORKSHEET					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	500,770	
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

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))
2013	540,744	18,103,761	0.029869
2012	2,131,869	16,641,476	0.128106
2011	442,489	16,430,050	0.026932
2010	584,495	13,316,284	0.043893
2009	479,189	12,584,062	0.038079
2 Total of line 1, column (d)		2	0.266879
3 Average distribution ratio for the 5-year base period – divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3	0.053376
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5		4	19,747,243
5 Multiply line 4 by line 3		5	1,054,029
6 Enter 1% of net investment income (1% of Part I, line 27b)		6	6,961
7 Add lines 5 and 6		7	1,060,990
8 Enter qualifying distributions from Part XII, line 4		8	758,003

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ►  and enter "N/A" on line 1. (attach copy of letter if necessary—see instructions)

1 Date of ruling or determination letter.

2 Domestic foundations that meet the section 4940(e) requirements in Part V, check here ►  and enter 1% of Part I, line 27b

3 All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)

4 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

5 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

6 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-

7 Credits/Payments

8 2014 estimated tax payments and 2013 overpayment credited to 2014

9 Exempt foreign organizations – tax withheld at source

10 Tax paid with application for extension of time to file (Form 8868)

11 Backup withholding erroneously withheld

12 Total credits and payments Add lines 6a through 6d

13 Enter any penalty for underpayment of estimated tax Check here  if Form 2220 is attached

14 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed

15 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid

16 Enter the amount of line 10 to be. Credited to 2015 estimated tax ► Refunded ►

1	13,922
2	0
3	13,922
4	0
5	13,922
6a	
6b	
6c	
6d	
7	
8	201
9	14,123
10	
11	

## Part VII-A Statements Regarding Activities

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? Yes  No

1b 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 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 1a  1b

1c Did the foundation file Form 1120-POL for this year? 1c

1d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year  
(1) On the foundation ► \$ \_\_\_\_\_ (2) On foundation managers ► \$ \_\_\_\_\_

1e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ \_\_\_\_\_

2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities 2

3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes 3

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? 4a

4b If "Yes," has it filed a tax return on Form 990-T for this year? 4b

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T. 5

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:  
• By language in the governing instrument, or  
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 6

7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV 7

8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► N/A

8b 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 SEE STMT 11 8b

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 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If "Yes," complete Part XIV 9

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses 10

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

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) 11  **X**

12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12  **X**

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► **N/A** 13  **X**

14 The books are in care of ► **ROWANN YEARGAN**  
7777 WHITE OAK ROAD

Telephone no ►

Located at ► **GARNER**

NC

ZIP+4 ► **27529**

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** ►

16 At any time during calendar year 2014, 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 FinCEN Form 114, (formerly TD F 90-22 1). If "Yes," enter the name of the foreign country ►

16	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.

1a During the year did the foundation (either directly or indirectly)

- (1) Engage in the sale or exchange, or leasing of property with a disqualified person?  Yes  No
- (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?  Yes  No
- (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?  Yes  No
- (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?  Yes  No
- (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?  Yes  No
- (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)  Yes  No

b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► **N/A** ►

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 2014? **N/A** **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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014?  Yes  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) **N/A** **2b**

c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► **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?  Yes  No

b If "Yes," did it have excess business holdings in 2014 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 2014) **N/A** **3b**

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? **N/A** **4a** **X**

b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014? **N/A** **4b** **X**

## 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	5b
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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes," file Form 8870	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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	GARNER NC 27529	TRUSTEE 1.00	0	0
SHERMAN YEARGAN 7777 WHITE OAK ROAD	GARNER NC 27529	TRUSTEE 5.00	30,000	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
<b>NONE</b>		

**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**
**Total. Add lines 1 through 3**


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## Form 990-PF (2014) THE YEARGAN FOUNDATION CHARITABLE

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**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	12,945,726
b	Average of monthly cash balances	1b	473,754
c	Fair market value of all other assets (see instructions)	1c	6,628,482
d	<b>Total</b> (add lines 1a, b, and c)	1d	20,047,962
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	20,047,962
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	300,719
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5	19,747,243
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	987,362

**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	987,362
2a	Tax on investment income for 2014 from Part VI, line 5	2a	13,922
b	Income tax for 2014 (This does not include the tax from Part VI )	2b	
c	Add lines 2a and 2b	2c	13,922
3	Distributable amount before adjustments Subtract line 2c from line 1	3	973,440
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	973,440
6	Deduction from distributable amount (see instructions)	6	
7	<b>Distributable amount as adjusted</b> Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	973,440

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes	1a	758,003
a	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1b	
b	Program-related investments – total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the.	3b	
a	Suitability test (prior IRS approval required)	4	758,003
b	Cash distribution test (attach the required schedule)	5	0
4	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	758,003
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)		
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4		

**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

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## Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				973,440
2 Undistributed income, if any, as of the end of 2014.				
a Enter amount for 2013 only				
b Total for prior years: 20_____, 20_____, 20_____				
3 Excess distributions carryover, if any, to 2014.				
a From 2009				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f Total of lines 3a through e	515,628	515,628		
4 Qualifying distributions for 2014 from Part XII, line 4 ► \$ 758,003				
a Applied to 2013, but not more than line 2a				
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2014 distributable amount				758,003
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a) )	215,437			215,437
6 Enter the net total of each column as indicated below:	300,191			
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions				
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount – see instructions				
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	300,191			
10 Analysis of line 9				
a Excess from 2010				
b Excess from 2011				
c Excess from 2012				
d Excess from 2013				
e Excess from 2014	300,191			

**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 2014, enter the date of the ruling				►			
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)
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed							
b	85% of line 2a							
c	Qualifying distributions from Part XII, line 4 for each year listed							
d	Amounts included in line 2c not used directly for active conduct of exempt activities							
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c							
3	Complete 3a, b, or c for the alternative test relied upon							
a	"Assets" alternative test – enter:							
(1)	Value of all assets							
(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)							
b	"Endowment" alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed							
c	"Support" alternative test – enter:							
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)							
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)							
(3)	Largest amount of support from an exempt organization							
(4)	Gross investment income							

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

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

**N/A**

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

**N/A****2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

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

a The name, address, and telephone number or e-mail address 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	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)				
a Paid during the year <b>SEE STATEMENT 12</b>				<b>700,833</b>
<b>Total</b>			► 3a	<b>700,833</b>
b Approved for future payment <b>N/A</b>				
<b>Total</b>			► 3b	

## Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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

## Part XVI-B Relationship of Accounts

## Part XVB Relationship of Activities to

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

**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 solicitation

**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.

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

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

Yes  No

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

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

aid  
reparer  
Use Only

\_\_\_\_\_

Da

—  
Tit

Signature of officer or trustee		Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed
<b>Paid Preparer Use Only</b>	Print/Type preparer's name			
	J. KELLY LANIER			05/10/15
	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			

## Other Notes and Loans Receivable

Form 990-PF

2014

For calendar year 2014, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

Name

THE YEARGAN FOUNDATION CHARITABLE  
TRUST

Employer Identification Number

58-1846281

## FORM 990-PF, PART II, LINE 7 - ADDITIONAL INFORMATION

Name of borrower		Relationship to disqualified person
(1) <b>INSTALLMENT NOTES</b>		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower		Purpose of loan	
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year	Fair market value
(1)		<b>659,773</b>	<b>659,773</b>
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
Totals		<b>659,773</b>	<b>659,773</b>

• YEARGFDN THE YEARGAN FOUNDATION CHARITABLE  
58-1846281  
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## Federal Statements

### Taxable Interest on Investments

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
WELLS FARGO	\$ 12,547			14	
WELLS FARGO	37			14	
RBC	18			14	
US AGRICULTURE	503			14	
INSTALLMENT OBLIGATIONS	10,282			14	
TOTAL	<u>\$ 23,387</u>				

### Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
WELLS FARGO	\$ 259,607			14	
RBC DAIN RAUSCHER	28,011			14	
TOTAL	<u>\$ 287,618</u>				

## Capital Gains and Losses for Tax on Investment Income

Form 990-PF

2014

For calendar year 2014, 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) 50% 801 W. GARNER ROAD		D	01/29/98	07/31/14
(2) 33.33% 101 ST. MARY'S STREET		D	01/29/98	09/30/14
(3) 8101 HEBRON CHURCH ROAD		D	01/29/98	09/30/14
(4) 4265 SHS COACH INC		P	10/04/12	06/23/14
(5) 25000 DUKE ENERGY CORP		P	01/28/09	02/03/14
(6) 1000 SHS MEDTRONIC INC		P	10/13/08	09/18/14
(7) 1065 SHS TECHNE CORP		P	10/20/09	01/24/14
(8) 100 SHS VIRGINIA ELEC PWR		P	05/05/99	10/20/14
(9) LEHMAN BROTHERS NOTES		P	08/06/07	04/03/14
(10) LEHMAN BROTHERS NOTES		P	08/06/07	10/02/14
(11) RBC DAIN RAUSCHER				
(12) WELLS FARGO				
(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) 425,000		133,347	291,653
(2) 116,666		64,001	52,665
(3) 194,500		61,833	132,667
(4) 144,643		241,385	-96,742
(5) 25,000		25,746	-746
(6) 66,450		42,410	24,040
(7) 96,398		68,376	28,022
(8) 11,250		8,725	2,525
(9) 1,922			1,922
(10) 1,396			1,396
(11) 56,731			56,731
(12) 6,637			6,637
(13)			
(14)			
(15)			

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)			291,653
(2)			52,665
(3)			132,667
(4)			-96,742
(5)			-746
(6)			24,040
(7)			28,022
(8)			2,525
(9)			1,922
(10)			1,396
(11)			56,731
(12)			6,637
(13)			
(14)			
(15)			

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

<u>Description</u>	<u>Revenue per Books</u>	<u>Net Investment Income</u>	<u>Adjusted Net Income</u>
LC YEARGAN SR HEIRS	\$ 34,105	\$ 209	\$
LC YEARGAN SR HEIRS		4,787	
LC YEARGAN SR HEIRS		13,594	
YEARGAN REAL ESTATE JV		2	
YEARGAN REAL ESTATE JV		-1,519	
LEIGH VENTURES, LLC		1	
LEIGH VENTURES, LLC		-126	
WINTERS YOUNG, LLC		391	
SPRINGHILL VENTURES, LLC		-3,732	
WHITE OAK NE ASSOCIATES, LLC		\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 47,712</b>	<b>\$ 0</b>	<b>\$ 0</b>

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

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
INDIRECT LEGAL FEES	\$ 3,978	\$ 3,978	\$ 0	\$
<b>TOTAL</b>	<b>\$ 3,978</b>	<b>\$ 3,978</b>	<b>\$ 0</b>	<b>\$ 0</b>

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

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
INDIRECT ACCOUNTING FEES	\$ 975	\$ 975	\$ 0	\$
<b>TOTAL</b>	<b>\$ 975</b>	<b>\$ 975</b>	<b>\$ 0</b>	<b>\$ 0</b>

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
APPRAISAL FEES	\$ 40,294	\$ 40,294	\$ 0	\$ 40,294
<b>TOTAL</b>	<b>\$ 40,294</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 40,294</b>

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
2013 INVESTMENT INCOME TAX	\$ 9,014	\$ 9,014	\$ 0	\$ 0
FOREIGN TAXES PAID	\$ 1,198	\$ 1,198	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 10,212</b>	<b>\$ 10,212</b>	<b>\$ 0</b>	<b>\$ 0</b>

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES	\$ 85,519	\$ 85,519	\$ 0	\$ 0
BANK CHARGES	\$ 85,519	\$ 85,519	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 85,519</b>	<b>\$ 85,519</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Statement 7 - 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	\$ 1,189,048	\$ 1,264,203	COST	\$ 1,396,918
WELLS FARGO	\$ 4,050,716	\$ 3,827,388	COST	\$ 11,840,459
<b>TOTAL</b>	<b>\$ 5,239,764</b>	<b>\$ 5,091,591</b>		<b>\$ 13,237,377</b>

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**Statement 8 - 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	\$ 256,136	\$ 230,390	COST	\$ 233,910
TOTAL	\$ 256,136	\$ 230,390		\$ 233,910

**Statement 9 - 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	\$ 1,922,377	\$ 1,618,936	\$	\$ 5,494,807
TOTAL	\$ 1,922,377	\$ 1,618,936	\$ 0	\$ 5,494,807

**Federal Statements****Statement 10 - Form 990-PF, Part II, Line 15 - Other Assets**

Description	Beginning of Year	End of Year	Fair Market Value
INCOME DISTRIBUTIONS RECEIVABLE	\$ -521,979	\$ -479,944	\$
OTHER INVESTMENTS	126,000	237,083	527,696
<b>TOTAL</b>	<b>\$ -395,979</b>	<b>\$ -242,861</b>	<b>\$ 527,696</b>

**Statement 11 - Form 990-PF, Part VII-A, Line 8b - Not Filing with Attorney General  
Explanation****Description**

NOT REQUIRED IN NORTH CAROLINA.

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**Statement 12 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year**

Name	Address	Relationship	Address	Status	Purpose	Amount
DUKE UNIVERSITY DURHAM NC 27708	PO BOX 90581		208 WEST FRANKLIN ST	PUBLIC	ENDOWMENT	200,000
UNIVERSITY OF NC CHAPEL HILL NC 27599			PO BOX 3537	PUBLIC	ENDOWMENT	133,200
DURHAM NATIVITY SCHOOL DURHAM NC 27702			PO BOX 797	PUBLIC	CONTRIBUTION	25,000
GARNER AREA MINISTRIES GARNER NC 27529			801 CORPORATE CENTER DRIV	PUBLIC	CONTRIBUTION	25,000
YMCA OF THE TRIANGLE RALEIGH NC 27607			9101 FAYETTEVILLE ROAD	PUBLIC	CONTRIBUTION	252,000
WAKE TECH FOUNDATION RALEIGH NC 27603			1300 17TH ST N STE 500	PUBLIC	CONTRIBUTION	33,333
TROUT UNLIMITED ARLINGTON VA 22209			PO BOX 888	PUBLIC	CONTRIBUTION	5,000
WOMENS RESOURCE CENTER OF DILLON DILLON MT 59725			2110 BENSON ROAD	PUBLIC	CONTRIBUTION	10,000
NEW BETHEL BAPTIST CHURCH GARNER NC 27529			2118 S. WABASH AVENUE	PUBLIC	CONTRIBUTION	5,200
LUNGevity FOUNDATION CHICAGO IL 60604			PO BOX 100		MEMORIAL	100
MEALS ON WHEELS						
GARNER UNITED METHODIST CHURCH					PUBLIC	CONTRIBUTION
LECOLE MATERNELLO INC					PUBLIC	MEMORIAL
TRANSITIONS LIFECARE RALEIGH NC 27607			250 HOSPICE CIRCLE	PUBLIC	CONTRIBUTION	1,000
DISABLED AMERICAN VETERANS					MEMORIAL	800
					PUBLIC	MEMORIAL
						100

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**Statement 12 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the  
Year (continued)**

Name	Address	Relationship	Status	Purpose	Amount
TOTAL					<u>700,833</u>

**Federal Statements**

**Statement 13 - 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	\$ 34,105	\$
LC YEARGAN SR HEIRS			14	209	
LC YEARGAN SR HEIRS			1	4,787	
YEARGAN REAL ESTATE JV			16	13,594	
YEARGAN REAL ESTATE JV			14	2	
LEIGH VENTURES, LLC			16	-1,519	
LEIGH VENTURES, LLC			14	1	
WINTERS YOUNG, LLC			16	-126	
SPRINGHILL VENTURES, LLC			16	391	
WHITE OAK NE ASSOCIATES, LL			16	-3,732	
TOTAL	\$ <u>0</u>		\$ <u>47,712</u>	\$ <u>0</u>	