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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

2016

Open to Public Inspection

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.

For calendar year 2016 or tax year beginning 8/1/2016, and ending 7/31/2017

Name of foundation
TA SOUTH MOUNTAIN INDUSTRIAL INS

Number and street (or P O box number if mail is not delivered to street address) Room/suite
Wells Fargo Bank N A Trust Tax Dept - 100 N Main St MAC D4001-117

City or town, state or province, country, and ZIP or foreign postal code
Winston Salem NC 27101

Foreign country name Foreign province/state/county Foreign postal code

A Employer identification number
56-6049775

B Telephone number (see instructions)
(888) 730-4933

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 ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity
☐ Final return ☐ Amended return
☒ Address change ☐ 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) ▶ \$ 314,328

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	5,442	5,442		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	10,057			
	b Gross sales price for all assets on line 6a 118,208				
	7 Capital gain net income (from Part IV, line 2)		10,057		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	15,499	15,499	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	5,040	3,780		1,260
	14 Other employee salaries and wages 2017				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	1,153			1,153
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	51	51		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	24 Total operating and administrative expenses. Add lines 13 through 23	6,244	3,831	0	2,413
	25 Contributions, gifts, grants paid	13,064			13,064
26 Total expenses and disbursements. Add lines 24 and 25	19,308	3,831	0	15,477	
27 Subtract line 26 from line 12	-3,809				
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		11,668			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2016)

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SCANNED JAN 19 2018

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 (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	5,327	9,744	9,744
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)			
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	268,001	259,865	304,584
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	273,328	269,609	314,328
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	273,328	269,609	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see instructions)	273,328	269,609	
	31 Total liabilities and net assets/fund balances (see instructions)	273,328	269,609	

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	273,328
2 Enter amount from Part I, line 27a	2	-3,809
3 Other increases not included in line 2 (itemize) ▶ <u>FEDERAL EXCISE TAX REFUND</u>	3	251
4 Add lines 1, 2, and 3	4	269,770
5 Decreases not included in line 2 (itemize) ▶ <u>See Attached Statement</u>	5	161
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	269,609

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a See Attached Statement				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
a				
b				
c				
d				
e				
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	10,057	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }		3	0	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

(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))
2015	15,422	295,306	0.052224
2014	15,585	328,261	0.047477
2013	15,488	328,920	0.047087
2012	14,962	311,135	0.048088
2011	14,929	298,802	0.049963
2 Total of line 1, column (d)			2 0.244839
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 0.048968
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4 301,351
5 Multiply line 4 by line 3			5 14,757
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 117
7 Add lines 5 and 6			7 14,874
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 15,477

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1		117
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		0
3	Add lines 1 and 2	3		117
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		117
6	Credits/Payments			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a		23
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7		23
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		94
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		0
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ☐ Refunded ☐	11		0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ NC		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

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	Yes	No
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 ► WELLS FARGO BANK N A Telephone no ► 888-730-4933 Located at ► 100 N Main St MAC D4001-117 Winston Salem NC ZIP+4 ► 27101			
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 N/A			
16	At any time during calendar year 2016, 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. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

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

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

1a	During the year did the foundation (either directly or indirectly)		Yes	No
(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 ►	1b		X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? If "Yes," list the years ► 20____, 20____, 20____, 20____	☐ Yes	☒ No	
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	N/A	
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 2016 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 2016.)	3b	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	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

(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 4945(d)(4)(A)? (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)? ☐ Yes ☒ No
 Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No
 If "Yes," attach the statement required by Regulations section 53.4945–5(d) N/A

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? ☐ Yes ☒ No
 If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Wells Fargo Bank, N A 100 N Main St MAC D4001-117 Winston Salem, NC 27	Trustee SEE ATTACHED	5,040		

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

1	NONE	
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	NONE	
2		
All other program-related investments See instructions		
3	NONE	

Total. Add lines 1 through 3

0

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	294,830
b	Average of monthly cash balances	1b	11,110
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	305,940
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	305,940
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see instructions)	4	4,589
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	301,351
6	Minimum investment return. Enter 5% of line 5	6	15,068

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	15,068
2a	Tax on investment income for 2016 from Part VI, line 5	2a	117
b	Income tax for 2016 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	117
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	14,951
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	14,951
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	14,951

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	15,477
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	15,477
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	117
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	15,360

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				14,951
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			1,769	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2016				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2016 from Part XII, line 4 ► \$ <u>15,477</u>				
a Applied to 2015, but not more than line 2a			1,769	
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 2016 distributable amount				13,708
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				1,243
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 2011 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

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

N/A

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling ▶

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2016	(b) 2015	(c) 2014	(d) 2013	
				0
b 85% of line 2a				0
c Qualifying distributions from Part XII, line 4 for each year listed				0
d Amounts included in line 2c not used directly for active conduct of exempt activities				0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				0
3 Complete 3a, b, or c for the alternative test relied upon				
a "Assets" alternative test—enter				
(1) Value of all assets				0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				0
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)				0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				0
(3) Largest amount of support from an exempt organization				0
(4) Gross investment income				0

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

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

NONE

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

NONE

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

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

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

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

- c** Any submission deadlines

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

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 See Attached Statement				
Total			3a	13,064
b Approved for future payment NONE				
Total			3b	0

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name

SOUTH MTN CHILDREN & FMLY SVCS

Street

115 N STERLING STREET

City

MORGANTON

State

NC

Zip Code

28655

Foreign Country

Relationship

NONE

Foundation Status

PC

Purpose of grant/contribution

GENERAL SUPPORT GRANT

Amount

13,064

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Part I, Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory

Long Term CG Distributions		Amount		Totals		Gross Sales		Cost or Other Basis, Expenses, Depreciation and Adjustments		Net Gain or Loss			
Short Term CG Distributions		5,387		Capital Gains/Losses		118,208		108,151		10,057			
Description	Check "x" to include in Part IV	Purchaser	Check "x" if Purchaser is a Business	Acquisition Method	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Valuation Method	Expense of Sale and Cost of Improvements	Depreciation	Adjustments	Net Gain or Loss
1 AQOR MANAGED FUTURES STR	X				8/26/2016	1/27/2017	236	254				18	0
2 AMER CENT SMALL CAP GRV	X				12/27/2017	12/27/2017	313	318				0	-5
3 AMER CENT SMALL CAP GRV	X				7/23/2015	5/24/2017	4,848	4,854				0	194
4 ARTISAN INTERNATIONAL FC	X				3/9/2011	8/24/2016	4,441	3,515				0	926
5 INV BALANCE RISK COMM ST	X				8/26/2016	1/19/2017	3,065	3,049				0	17
6 ARTISAN INTERNATIONAL FC	X				1/19/2017	1/27/2017	436	427				0	9
7 ARTISAN INTERNATIONAL FC	X				3/9/2011	4/21/2017	9,089	7,269				0	1,820
8 ARTISAN INTERNATIONAL FC	X				10/24/2011	4/21/2017	1,479	1,096				0	383
9 ARTISAN INTERNATIONAL FC	X				1/19/2017	4/21/2017	334	317				0	17
10 ARTISAN MID CAP FUND-INS	X				6/18/2014	8/24/2016	444	517				0	-73
11 ARTISAN MID CAP FUND-INS	X				6/18/2014	1/27/2017	28	661				0	-97
12 ARTISAN MID CAP FUND-INS	X				7/23/2015	1/19/2017	483	500				7	1
13 AMER CENT SMALL CAP GRV	X				12/22/2015	7/27/2017	300	350				0	-17
14 ARTISAN MID CAP FUND-INS	X				1/22/2015	7/27/2017	133	136				50	0
15 ARTISAN MID CAP FUND-INS	X				6/10/2014	7/27/2017	31	34				0	-5
16 ARTISAN MID CAP FUND-INS	X				1/14/2015	7/27/2017	337	347				0	-3
17 ARTISAN MID CAP FUND-INS	X				2/11/2013	7/27/2017	46	46				0	-10
18 ARTISAN MID CAP FUND-INS	X				10/27/2015	1/19/2017	163	166				0	5
19 BLACKROCK GL US CREDIT	X				4/21/2017	7/27/2017	274	261				0	-13
20 MFS VALUE FUND-CLASS I #	X				6/18/2014	7/27/2017	828	734				0	94
21 MFS VALUE FUND-CLASS I #	X				2/11/2013	1/27/2017	156	157				0	-1
22 MERGER FUND-INST #301	X				1/15/2015	8/24/2016	430	429				0	1
23 MET WEST TOTAL RETURN B	X				10/5/2016	1/27/2017	2,789	2,761				10	8
24 MET WEST TOTAL RETURN B	X				1/22/2015	8/24/2016	242	253				0	-1
25 MET WEST TOTAL RETURN B	X				7/12/2013	8/24/2016	2,543	2,990				0	-447
26 ASS GLOBAL ALTERNATIVES	X				7/12/2013	1/19/2017	236	264				0	-28
27 ASS GLOBAL ALTERNATIVES	X				7/12/2013	1/27/2017	156	172				0	-16
28 ASS GLOBAL ALTERNATIVES	X				6/18/2014	8/24/2016	2,123	2,141				0	-18
29 NEUBERGER BERMAN LONG	X				6/18/2014	1/27/2017	224	219				0	5
30 NEUBERGER BERMAN LONG	X				12/3/2014	8/24/2016	9,621	10,556				0	-935
31 OPPENHEIMER DEVELOPING	X				1/17/2014	8/24/2016	1,103	1,207				0	-104
32 OPPENHEIMER DEVELOPING	X				1/17/2014	1/27/2017	594	594				38	-1
33 OPPENHEIMER DEVELOPING	X				3/9/2011	1/27/2017	117	121				0	0
34 OPPENHEIMER DEVELOPING	X				1/9/2014	4/21/2017	429	422				0	7
35 OPPENHEIMER DEVELOPING	X				1/9/2014	7/27/2017	221	195				0	28
36 OPPENHEIMER DEVELOPING	X				3/9/2011	7/27/2017	1,734	1,523				0	211
37 OPPENHEIMER DEVELOPING	X				7/27/2017	8/24/2016	881	772				0	109
38 BOSTON P LANGSHIRT RES-INS	X				1/12/2013	8/24/2016	896	915				0	-19
39 T ROWE PRICE INST FLOAT	X				7/23/2014	1/19/2017	915	915				0	-24
40 T ROWE PRICE INST FLOAT	X				4/24/2014	1/19/2017	1,628	1,652				0	8
41 T ROWE PRICE INST FLOAT	X				8/28/2016	1/19/2017	928	920				0	8
42 T ROWE PRICE INST FLOAT	X				4/22/2016	1/19/2017	164	161				0	3
43 T ROWE PRICE REAL ESTAT	X				1/19/2017	1/27/2017	311	312				0	-1
44 SPDR DJ WILSHIRE INTERNA	X				3/9/2011	8/24/2016	1,325	1,233				0	92
45 SPDR DJ WILSHIRE INTERNA	X				3/9/2011	10/4/2016	1,640	1,591				0	49
46 SPDR DJ WILSHIRE INTERNA	X				3/9/2011	1/27/2017	183	199				16	0
47 STERLING CAPITAL STRATTG	X				6/18/2014	1/19/2017	411	389				0	22
48 STERLING CAPITAL STRATTG	X				6/18/2014	1/27/2017	421	389				0	32
49 STERLING CAPITAL STRATTG	X				1/22/2015	5/24/2017	58	58				0	10
50 BLACKROCK GL US CREDIT	X				10/27/2015	1/27/2017	204	208				0	10
51 CREDIT SUISSE COMM RET	X				5/10/2012	8/24/2016	604	959				0	-365
52 CREDIT SUISSE COMM RET	X				11/21/2012	8/24/2016	49	82				0	-33
53 CREDIT SUISSE COMM RET	X				7/12/2013	8/24/2016	1,651	2,472				0	-821
54 CREDIT SUISSE COMM RET	X				1/23/2014	8/24/2016	1,006	1,477				0	-471
55 CREDIT SUISSE COMM RET	X				1/23/2014	1/19/2017	720	1,014				0	-294
56 CREDIT SUISSE COMM RET	X				1/22/2015	1/19/2017	1,698	1,936				0	-238
57 CREDIT SUISSE COMM RET	X				1/10/2015	1/19/2017	468	440				0	28
58 CREDIT SUISSE COMM RET	X				1/22/2016	1/19/2017	265	224				0	41
59 STERLING CAPITAL STRATTG	X				8/26/2016	5/24/2017	1,772	1,646				0	126
60 STERLING CAPITAL STRATTG	X				4/21/2017	5/24/2017	335	330				0	5
61 STERLING CAPITAL STRATTG	X				6/18/2014	5/24/2017	2,476	2,281				0	195
62 STERLING CAPITAL STRATTG	X				12/17/2010	8/24/2016	3,890	2,146				0	1,742
63 VANGUARD RET VIPER	X				12/17/2010	10/3/2016	4,016	2,294				0	1,724
64 DODGE & COX INTL STOCK	X				9/19/2008	8/24/2016	1,291	1,226				0	65
65 DODGE & COX INTL STOCK	X				3/9/2011	8/24/2016	4,408	4,404				0	168
66 DODGE & COX INTL STOCK	X				7/23/2010	8/24/2016	34	28				0	6
67 DODGE & COX INTL STOCK	X				7/23/2010	1/19/2017	314	249				0	74
68 DODGE & COX INTL STOCK	X				1/22/2016	1/27/2017	402	328				0	6
69 DODGE & COX INCOME FDC	X				4/24/2014	8/24/2016	515	509				0	6
70 DODGE & COX INCOME FDC	X				5/11/2015	8/24/2016	6	6				0	36
71 DODGE & COX INCOME FDC	X				5/11/2015	8/24/2016	1,705	1,705				0	0
72 DODGE & COX INCOME FDC	X				2/5/2015	8/24/2016	416	419				0	3

Part I, Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory

Description	CUSIP #	Check "X" to include in Part IV	Purchaser	Check "X" if Purchaser is a Business	Acquisition Method	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Valuation Method	Cost or Other Basis Expenses, Depreciation and Adjustments			Net Gain or Loss	
											Expense of Sale and Cost of Improvements	Depreciation	Adjustments	Net Gain or Loss	Net Gain or Loss
Long Term CG Distributions	Amount	5,387													
Short Term CG Distributions		0													
Totals															
Capital Gains/Losses															
Other sales															
73 DODGE & COX INCOME FD C	256210105	X			7/17/2015	8/24/2016	55	54							
74 DODGE & COX INCOME FD C	256210105	X			7/23/2015	8/24/2016	1,663	1,644							
75 DODGE & COX INCOME FD C	256210105	X			10/5/2016	1/27/2017	1,777	180							
76 DODGE & COX INCOME FD C	256210105	X			10/5/2016	4/21/2017	1,942	1,956							
77 DODGE & COX INCOME FD C	256210105	X			9/27/2016	4/21/2017	21	21							
78 FID ADV EMER MKTS INC-CL	315820702	X			8/26/2016	1/27/2017	178	182							
79 JP MORGAN MID CAP VALUE	339128100	X			7/17/2015	8/24/2016	450	456							
80 JP MORGAN MID CAP VALUE	339128100	X			6/12/2014	8/24/2016	259	263							
81 JP MORGAN MID CAP VALUE	339128100	X			6/12/2014	1/27/2017	394	404							
82 JP MORGAN MID CAP VALUE	339128100	X			6/18/2014	1/27/2017	12	13							
83 HARBOR CAPITAL APRTION	411511504	X			8/26/2016	1/19/2017	1,529	1,576							
84 HARBOR CAPITAL APRTION	411511504	X			8/28/2015	1/27/2017	1,076	1,126							
85 HARBOR CAPITAL APRTION	411511504	X			8/28/2015	4/21/2017	879	875							
86 HARBOR CAPITAL APRTION	411511504	X			10/20/2014	7/27/2017	1,328	1,166							
87 HARBOR CAPITAL APRTION	411511504	X			8/28/2015	7/27/2017	268	239							
88 HARBOR CAPITAL APRTION	411511504	X			10/28/2014	7/27/2017	1,971	1,716							
89 JPMORGAN HIGH YIELD FUN	4812C0803	X			1/23/2014	1/19/2017	475	517							
90 JPMORGAN HIGH YIELD FUN	4812C0803	X			12/19/2014	1/19/2017	5,812	5,946							
91 JPMORGAN HIGH YIELD FUN	4812C0803	X			7/23/2015	1/19/2017	347	352							
92 JPMORGAN HIGH YIELD FUN	4812C0803	X			4/22/2016	1/19/2017	2,053	1,962							
93 MFS VALUE FUND-CLASS I #	552983694	X			7/23/2015	1/19/2017	146	143							
94 MFS VALUE FUND-CLASS I #	552983694	X			7/17/2015	1/19/2017	1,641	1,607							
95 MFS VALUE FUND-CLASS I #	552983694	X			8/26/2016	1/19/2017	1,532	1,510							
96 MFS VALUE FUND-CLASS I #	552983694	X			8/26/2016	1/27/2017	360	370							
97 MFS VALUE FUND-CLASS I #	552983694	X			6/18/2014	1/27/2017	508	478							

Part I, Line 16b (990-PF) - Accounting Fees

		1,153	0	0	1,153
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	TAX PREP FEES	1,153			1,153

Part I, Line 18 (990-PF) - Taxes

		51	51	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	FOREIGN TAX WITHHELD	51	51		

Part II, Line 13 (990-PF) - Investments - Other

Asset Description		Basis of Valuation	Book Value Beg. of Year	Book Value End of Year	FMV End of Year
1				0	
2	NEUBERGER BERMAN LONG SH-INS #183		0	10,637	11,245
3	MERGER FUND-INST #301		0	6,164	6,288
4	ARTISAN MID CAP FUND-INSTL 1333		0	12,646	14,593
5	MET WEST TOTAL RETURN BOND CL I 51		0	27,262	26,923
6	FID ADV EMER MKTS INC- CL I 607		0	17,746	18,604
7	T ROWE PRICE REAL ESTATE FD 122		0	16,260	16,587
8	EATON VANCE GLOBAL MACRO - I		0	9,170	9,117
9	DODGE & COX INTL STOCK FD 1048		0	6,384	11,905
10	AMER CENT SMALL CAP GRWTH INST 33		0	4,109	4,911
11	MFS VALUE FUND-CLASS I 893		0	24,734	34,549
12	JP MORGAN MID CAP VALUE-I 758		0	9,514	14,363
13	STERLING CAPITAL STRATTON SMALL CA		0	4,353	4,796
14	T ROWE PR OVERSEAS STOCK-I #521		0	10,716	11,948
15	ASG GLOBAL ALTERNATIVES-Y 1993		0	6,636	6,317
16	VANGUARD REIT VIPER		0	2,513	4,382
17	AQR MANAGED FUTURES STR-I		0	10,159	8,902
18	VANGUARD INFLAT-PROT SECS-ADM 511		0	2,123	2,098
19	JPMORGAN HIGH YIELD FUND SS 3580		0	4,220	4,386
20	T ROWE PRICE INST FLOAT RATE 170		0	1,736	1,764
21	OPPENHEIMER DEVELOPING MKT-I 799		0	16,032	18,990
22	BLACKROCK GL L/S CREDIT-INS #1833		0	10,593	10,707
23	SPDR DJ WILSHIRE INTERNATIONAL REA		0	9,215	9,641
24	DODGE & COX INCOME FD COM 147		0	11,862	12,503
25	HARBOR CAPITAL APRCTION-INST 2012		0	20,775	34,257
26	ROBECO BP LNG/SHRT RES-INS		0	4,306	4,808

Part III (990-PF) - Changes in Net Assets or Fund Balances

Line 3 - Other increases not included in Part III, Line 2

1	FEDERAL EXCISE TAX REFUND	1	251
2	Total	2	251

Line 5 - Decreases not included in Part III, Line 2

1	MUTUAL FUND TIMING DIFFERENCE	1	25
2	PY RETURN OF CAPITAL ADJUSTMENT	2	136
3	Total	3	161

Part IV (990-PF) - Capital Gains and Losses for Tax on Investment Income

Long Term CG Distributions													Short Term CG Distributions																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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Part VI, Line 6a (990-PF) - Estimated Tax Payments

	Date		Amount
1 Credit from prior year return		1	23
2 First quarter estimated tax payment		2	
3 Second quarter estimated tax payment		3	
4 Third quarter estimated tax payment		4	
5 Fourth quarter estimated tax payment		5	
6 Other payments		6	
7 Total		7	23

Part XIII, Line 2a, Column C (990-PF) - Prior Year Undistributed Income

1	Distributable amounts for 2015 that remained undistributed at the beginning of the 2016 tax year	1	1,769
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10	Total	10	1,769