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

2009

For calendar year 2009, or tax year beginning , 2009, and ending , 20

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: LUKE AND MERLE SOULES FAMILY FOUNDATION

Number and street (or P.O box number if mail is not delivered to street address): 3606 BARRINGTON — Room/suite:

City or town, state, and ZIP code: SAN ANTONIO TX 78217

A Employer identification number: 31-1675276

B Telephone number (see instructions): (210)224-9144

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 ▶ ☐

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) ▶ $ 1,731,876

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), & (d) may not necessarily equal the amounts in column (a) (see instructions))

	Line		(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 temp. cash investments	14,408	14,408		
	4	Dividends and interest from securities	8,253	8,253		
	5 a	Gross rents				
	b	Net rental income or (loss)				
	6 a	Net gain/(loss) from sale of assets not on line 10	-114,209			
	b	Gross sales price for all assets on line 6a 1,405,937				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain			0	
	9	Income modifications			0	
	10 a	Gross sales less rtns & allowances 0				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) #1	2,014			
	12	**Total.** Add lines 1 through 11	-89,534	22,661	0	
OPERATING & ADMINISTRATIVE EXPENSES	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	Accounting fees (attach schedule) #2	1,200			
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule)(see instructions) #3	75	75		
	19	Depreciation (attach sch.) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) #4	15,534	13,689		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	16,809	13,764	0	0
	25	Contributions, gifts, grants paid	95,000			95,000
	26	Total exp & disbursements Add lines 24 and 25	111,809	13,764	0	95,000
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-201,343			
	b	**Net investment income** (if neg , enter -0-)		8,897		
	c	**Adjusted net income** (if neg., enter -0-)			0	

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Part II Balance Sheets — Attached schedules and amounts in the description column should be for end-of-year amounts only (See inst)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
ASSETS			
1 Cash -- non-interest-bearing	412,465	1,731,876	1,731,876
2 Savings and temporary cash investments			
3 Accounts receivable ▶			
Less: allowance for doubtful accts. ▶			
4 Pledges receivable ▶			
Less allowance for doubtful accts ▶			
5 Grants receivable			
6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the 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 govt obligations (attach sch)			
b Investments -- corporate stock (attach schedule)	1,520,630		
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)			
14 Land, buildings, and equipment basis ▶			
Less accumulated depreciation (attach schedule) ▶			
15 Other assets (describe ▶ SEE ATTACHMENT #5)	124		
16 **Total assets** (to be completed by all filers -- see the instructions Also, see page 1, item I)	1,933,219	1,731,876	1,731,876
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 ▶ [X] and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted	1,933,219	1,731,876	
25 Temporarily restricted			
26 Permanently restricted			
Foundations that do not follow SFAS 117, ck. here ▶ [ ] and complete lines 27 through 31.			
27 Capital stock, trust principal, or current funds			
28 Paid-in or capital surplus, or land, bldg , and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds			
30 **Total net assets or fund balances** (see the instructions)	1,933,219	1,731,876	
31 **Total liabilities and net assets/fund balances** (see the inst)	1,933,219	1,731,876	

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	1,933,219
2	Enter amount from Part I, line 27a	2	-201,343
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,731,876
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	1,731,876

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 ATTACHMENT #6			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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

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

2	Capital gain net income or (net capital loss) . . . . . . { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	-114,209
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 the instructions) . . . . If (loss), enter -0- in Part I, line 8	3	-248

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 beg in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col. (c))
2008	100,100	1,909,177	0.052431
2007	94,000	2,074,191	0.045319
2006	77,930	1,933,063	0.040314
2005	33,000	1,737,277	0.018995
2004	81,630	1,544,117	0.052865

2	**Total** of line 1, column (d)	2	0.209924
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	0.041985
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	1,673,560
5	Multiply line 4 by line 3	5	70,264
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	89
7	Add lines 5 and 6	7	70,353
8	Enter qualifying distributions from Part XII, line 4	8	95,000

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 -- see the 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 ruling 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	89
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	89
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	89
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a: 1,000		
b	Exempt foreign organizations -- tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c:		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments. Add lines 6a through 6d	7	1,000
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	911
11	Enter amount of line 10 to be **Credited to 2010 estimated tax** ▶ 911 **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
	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			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		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?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the yr ? If "Yes," complete Part II, col. (c), & Part XV.	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ▶ NONE			
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	8b	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
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 acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ SEE ATTACHMENT #7 Telephone no ▶

Located at ▶ ZIP+4 ▶

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

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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 the instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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 2009?	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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? ☐ 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 the instructions)	2b		X
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 2009 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 2009)	3b		X
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 2009?	4b		X

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

			Yes	No
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 the 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		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?		7b		X

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 the instructions).

(a) Name and address	(b) Title, and avg hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred comp	(e) Expense account, other allowances
SEE ATTACHMENT #8				

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

(a) Name and address of each employee paid more than $50,000	(b) Title, and avg 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 the 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	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See the instructions 3	
Total. Add lines 1 through 3 ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part Foreign foundations, see the 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	1,149,600
b	Average of monthly cash balances	1b	549,446
c	Fair market value of all other assets (see the instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,699,046
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	1,699,046
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see the instructions)	4	25,486
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,673,560
6	**Minimum investment return.** Enter 5% of line 5	6	83,678

Part XI Distributable Amount (see the 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	83,678
2a	Tax on investment income for 2009 from Part VI, line 5	2a	89		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	89
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	83,589
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	83,589
6	Deduction from distributable amount (see the instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	83,589

Part XII Qualifying Distributions (see the 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	95,000
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	95,000
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 the instructions)	5	89
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	94,911

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 the instructions)

		(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7					83,589
2 Undistributed income, if any, as of the end of 2009					
a Enter amount for 2008 only				94,759	
b Total for prior years 20___, 20___, 20___					
3 Excess distributions carryover, if any, to 2009					
a From 2004					
b From 2005					
c From 2006					
d From 2007					
e From 2008					
f **Total** of lines 3a through e		0			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 95,000					
a Applied to 2008, but not more than line 2a				94,759	
b Applied to undistributed income of prior years (Election required -- see the instructions)					
c Treated as distributions out of corpus (Election required -- see the instructions)					
d Applied to 2009 distributable amount					241
e Remaining amount distributed out of corpus					
5 Excess distributions carryover applied to 2009 (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					
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 the instructions					
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount -- see the instructions					
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010					83,348
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions)					
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see the instructions)					
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a					
10 Analysis of line 9:					
a Excess from 2005					
b Excess from 2006					
c Excess from 2007					
d Excess from 2008					
e Excess from 2009					

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 2009, enter the date of the ruling ▶ N/A

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

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
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 exempt act.					
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 min. 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 the 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 the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number 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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHMENT #9				
Total			▶ 3a	95,000
b Approved for future payment				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See the instructions.)
	(a) Business code	(b) Amount	(c) Excl code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees & contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	14,408	
4 Dividends and interest from securities			14	8,253	
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			18	-114,209	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b SEE ATTACHMENT #10				2,014	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		-89,534	0

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . . 13 -89,534

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See the instructions)

Part XVII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

2 a 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

SIGN HERE

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Merle Soules Pres. | 5/11/10 | PRESIDENT/DIRECTOR

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only			
Preparer's signature	Date 5/11/10	Check if self-employed ☐	Preparer's identifying number (see Signature in the instructions)
Firm's name (or yours if self-employed), address, and ZIP code	ROYCE & YOUNG PC 14350 NORTHBROOK DR STE 140 SAN ANTONIO, TX 78232	EIN	Phone no (210)499-5902

SCHEDULE OF OTHER INCOME

ATTACHMENT 1: PAGE 1 - 990-PF PAGE 1, PART I, LINE 11

OPEN TO PUBLIC INSPECTION	For calendar year 2009, or tax period beginning , and ending .

Name of Organization
LUKE AND MERLE SOULES FAMILY FOUNDATION

Employer Identification Number
31-1675276

Description of Other Income	Revenue and Expenses	Net Investment Income	Adjusted Net Income
TAX REFUND	2,014		
Totals	2,014		

SCHEDULE OF ACCOUNTING FEES

ATTACHMENT 2: PAGE 1 - 990-PF PAGE 1, PART I, LINE 16B

OPEN TO PUBLIC INSPECTION | For calendar year 2009, or tax period beginning , and ending .

Name of Organization
LUKE AND MERLE SOULES FAMILY FOUNDATION

Employer Identification Number
31-1675276

Accounting Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
ACCOUNTING FEES	1,200			
Total	1,200			

SCHEDULE OF TAXES PAID

ATTACHMENT 3: PAGE 1 - 990- PF PAGE 1, PART I, LINE 18

OPEN TO PUBLIC INSPECTION | For calendar year 2009, or tax period beginning , and ending .

Name of Organization
LUKE AND MERLE SOULES FAMILY FOUNDATION

Employer Identification Number
31-1675276

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
FOREIGN TAXES	75	75		
Total	75	75		

OTHER EXPENSES SCHEDULE

ATTACHMENT 4: PAGE 1 990-PF PAGE 1, PART I, LINE 23

OPEN TO PUBLIC INSPECTION | For calendar year 2009, or tax period beginning , and ending .

Name of Organization
LUKE AND MERLE SOULES FAMILY FOUNDATION

Employer Identification Number
31-1675276

Description of Activity	Revenue and Expenses	Net Investment Income	Adjusted Net Income	Disbursements for Charity
BANK CHARGES	2,137	2,137		
BROKERS FEES	11,552	11,552		
POST OFFICE BOX FEE	180			
APPRECIATION DINNER	1,665			
Total	15,534	13,689		

SCHEDULE OF OTHER ASSETS

ATTACHMENT 5: PAGE 1 - 990-PF PAGE 2, PART II, LINE 15

OPEN TO PUBLIC INSPECTION | For calendar year 2009, or tax period beginning , and ending .

Name of Organization
LUKE AND MERLE SOULES FAMILY FOUNDATION

Employer Identification Number
31-1675276

Description of Other Assets	Beginning of Year	End of Year	EOY FMV (990-PF Only)
DIVIDENDS RECEIVABLE	124		
Totals	124		

PART IV CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ATTACHMENT 6: PAGE 1 - 990-PF PAGE 3, PART IV, LINE 1

OPEN TO PUBLIC INSPECTION	For calendar year 2009 or tax period beginning , and ending .

Name of Organization	Employer Identification Number
LUKE AND MERLE SOULES FAMILY FOUNDATION	31-1675276

	(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	MATTHEWS JAPAN FUND	P	12-10-2008	12-08-2009
2	SEE ATTACHED STATEMENT-FROST BANK LONG-TERM	P	01-01-2007	12-31-2008

	(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	620		868	-248
2	1,405,317		1,519,278	-113,961

	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 if col (i) over col (j), if any	
1				-248
2				-113,961

BOOKS ARE IN CARE OF

ATTACHMENT 7 - 990-PF PAGE 5, PART VII-A, LINE 14

OPEN TO PUBLIC INSPECTION	For calendar year 2009, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
LUKE AND MERLE SOULES FAMILY FOUNDATION	31-1675276

Part VII-A - Line 14

Individual Name or Business Name . . . . LUTHER H. SOULES, III

Street Address . . . . 3606 BARRINGTON

U S Address

Zip code 78217 City SAN ANTONIO State TX

or

Foreign Address

City . .

Province or State

Country .

Postal code

Phone Number . . . (210)653-2626

Fax Number

BOOKS ARE IN CARE OF

ATTACHMENT 7 - 990-PF PAGE 5, PART VII-A, LINE 14

OPEN TO PUBLIC INSPECTION	For calendar year 2009, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
LUKE AND MERLE SOULES FAMILY FOUNDATION	31-1675276

Part VII-A - Line 14

Individual Name or Business Name LUTHER H. SOULES, III

Street Address 3606 BARRINTON

U S. Address

Zip code 78217 City SAN ANTONIO State TX

or

Foreign Address

City

Province or State

Country

Postal code

Phone Number (210) 653-2626

Fax Number

CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

ATTACHMENT 8: PAGE 1 - 990-PF PAGE 6, PART VIII

OPEN TO PUBLIC INSPECTION	For calendar year 2009, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
LUKE AND MERLE SOULES FAMILY FOUNDATION	31-1675276

(A) Name and Address	(B) Title and Average Hrs. per Week	(C) Compensation (If not paid, enter 0)	(D) Cont to Employee Ben Plans & Def Comp	(E) Expense Account & Other Allowances
LUTHER H. SOULES, III 3606 BARRINGTON SAN ANTONIO, TX 78217	PRESIDENT/DIR 0.00	0	0	0
LAURA NELL BURTON 623 E. MANDALAY SAN ANTONIO, TX 78212	VP/DIRECTOR 0.00	0	0	0
JOE CARLTON SOULES, SR. 9011 VILLAGE DRIVE SAN ANTONIO, TX 78217	SECRETARY/DIR 0.00	0	0	0
TERI SOULES BARNETT 111 RIDGEMONT AVE. SAN ANTONIO, TX 78209	VP/DIRECTOR 0.00	0	0	0
JIMMY BLAIR YOUNG, JR. 450 DEVINE ROAD SAN ANTONIO, TX 78212	VP/DIRECTOR 0.00	0	0	0
ANDREA MARIE SOULES 3606 BARRINGTON SAN ANTONIO, TX 78217	TREASURER/DIR 0.00	0	0	0
DONALD LEE ANDERSON 100 WEST HOUSTON STREET, T-6 SAN ANTONIO, TX 78205	HONORARY DIRECTOR 0.00	0	0	0

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 9: PAGE 1 990-PF PAGE 11, PART XV LINE 3A

OPEN TO PU
INSPECTION **For calendar year 2009, or tax period beginning , and ending .**

Name of Organization: LUKE AND MERLE SOULES FAMILY FOUNDATION

Employer Identification Number: 31-1675276

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
BOY SCOUTS OF AMERICA 2226 NW MILITARY HIGHWAY SAN ANTONIO, TX 78213	NONE	PUBLIC	GENERAL PURPOSE	15,000
CARVER CULTURAL CENTER 215 N. HACKBERRY SAN ANTONIO, TX 78202	NONE	PUBLIC	GENERAL PURPOSE	15,000
CHILD ADVOCATES OF SAN ANTONIO 406 SAN PEDRO AVENUE SAN ANTONIO, TX 78212	NONE	PUBLIC	GENERAL PURPOSE	10,000
CHILDREN'S BEREAVEMENT CENTER SO TX 332 W. CRAIG PLACE SAN ANTONIO, TX 78212	NONE	PUBLIC	GENERAL PURPOSE	8,200
HEALY-MURPHY CENTER 618 LIVE OAK SAN ANTONIO, TX 78202	NONE	PUBLIC	GENERAL PURPOSE	6,800
KEYSTONE SCHOOL 119 E. CRAIG SAN ANTONIO, TX 78212	NONE	PUBLIC	GENERAL PURPOSE	5,000
THE MAGIK THEATRE 420 SOUTH ALAMO STREET SAN ANTONIO, TX 78205	NONE	PUBLIC	GENERAL PURPOSE	5,000
RESPITE CARE OF SAN ANTONIO 605 BELKNAP PLACE SAN ANTONIO, TX 78212	NONE	PUBLIC	GENERAL PURPOSE	10,000
SOUTHWEST SCHOOL OF ART & CRAFT 300 AUGUSTA STREET SAN ANTONIO, TX 78205	NONE	PUBLIC	GENERAL PURPOSE	10,000
SAN ANTONIO LIVESTOCK EXPOSITION 3201 E. HOUSTON ST. SAN ANTONIO, TX 78219	NONE	PUBLIC	GENERAL PURPOSE	5,000
ST. LUKE'S EPISCOPAL SCHOOL 15 SAINT LUKES LANE SAN ANTONIO, TX 78209	NONE	PUBLIC	GENERAL PURPOSE	5,000
				95,000

SCHEDULE OF OTHER REVENUE

ATTACHMENT 10: PAGE 1 - 990-PF PAGE 12, PART XVI-A, LINE 11

OPEN TO PUBLIC INSPECTION | For calendar year 2009, or tax period beginning , and ending .

Name of Organization
LUKE AND MERLE SOULES FAMILY FOUNDATION

Employer Identification Number
31-1675276

Item	Program Service Revenue	Unrelated business income (a) business code	Unrelated business income (b) Amount	Excluded by section 512, 513 or 514 (c) Excl code	Excluded by section 512, 513 or 514 (d) Amount	(e) Related or exempt function income (see instructions)
A	FEDERAL TAX REFUND				2,014	
		Totals			2,014	

Account Name:

THE LUKE AND MERLE SOULES FAMILY FDN FA316

Account Number: FA316

Tax I.D. Number: XX-XXX5276

Frost Bank

DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
	15% MAXIMUM RATE SALES REPORTED ON FORM 1099-B					
23,002.725	FROST INTERNATIONAL EQUITY FD INST*	VAR	12/10/2009	179,191.24	211,045 98	-31,854 74
5,985 234	FROST HOOVER SMALL MID-CAP EQ FD I*	09/30/2005	12/10/2009	44,410 43	64,842 14	-20,431 71
5,215 965	FROST DIVIDEND VALUE EQUITY FD INS*	09/30/2005	12/10/2009	75,386 59	119,432 83	-44,046 24
9 169.344	AMERICAN CENTY INTL BD FD INSTL*	VAR	12/10/2009	138,182 01	125,387 84	12,794 17
4 779.317	COHEN & STEERS INTL RLTY FD CLASS I	VAR	12/10/2009	53,820.74	93,845.46	-40,024.72
581.120	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	01/15/2009	581 12	560 05	21 07
902.580	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	02/15/2009	902 58	869.86	32 72
1,336.220	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	03/15/2009	1,336 22	1,287 78	48 44
1,316 830	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	04/15/2009	1,316 83	1,269 10	47 73
1,794.250	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	05/15/2009	1,794 25	1,729 21	65 04
1,778.060	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	06/15/2009	1,778 06	1,713 61	64 45
932.710	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	07/15/2009	932 71	898 90	33 81
1,166.610	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	08/15/2009	1,166.61	1,124 32	42.29
1 482 990	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	09/15/2009	1,482 99	1,429 23	53 76
937.090	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	10/15/2009	937 09	903 12	33 97
1 268.320	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	11/15/2009	1,268 32	1,222 34	45 98
21,880.360	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	12/09/2009	21,917 62	21,087 68	829 94
595.590	FHLMC GOLD POOL #M80893 4% 1/01/11	10/31/2005	12/15/2009	595 59	574 00	21 59
616.660	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	01/15/2009	616 66	612 04	4 62
1,476.140	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	02/15/2009	1,476 14	1,465 07	11 07
1,731.470	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	03/15/2009	1,731 47	1,718 48	12 99
611.350	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	04/15/2009	611 35	606 76	4 59
724.330	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	05/15/2009	724 33	718 90	5.43
2,135.190	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	06/15/2009	2,135.19	2,119 18	16 01
2,842.840	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	07/15/2009	2,842 84	2,821 52	21.32
2,186.290	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2005	08/15/2009	2,186 29	2,169 89	16 40
2,672.720	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2006	09/15/2009	2,672 72	2,652 67	20 05
1,001 720	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2006	10/15/2009	1,001 72	994.21	7 51
1,415.900	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2006	11/15/2009	1,415 90	1,405 28	10 62
49,678.850	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2006	12/09/2009	52,326.36	49,306 25	3,020 11
1,384 610	FHLMC GOLD POOL #E91957 5% 10/01/17	11/02/2006	12/15/2009	1,384 61	1,374.23	10 38
25,000.000	FEDERAL FARM CR BKS 4.5% 5/04/12	01/31/2006	12/09/2009	26,666.00	24,464 88	2,201 12
25,000 000	FEDERAL HOME LN BKS 6% 5/13/11	01/31/2006	12/09/2009	26,666 75	26,323.79	342 96
10,000.000	FHLB SER VJ10 4 3% 11/12/10	01/31/2006	12/09/2009	10,234 10	9,767.18	466 92
40,000 000	FEDERAL HOME LN BKS 4.25% 11/15/10	01/31/2006	12/09/2009	41,230 00	38,982.78	2,247 22
329.460	FNMA POOL #555549 5% 6/01/18	01/31/2006	01/25/2009	329 46	327.40	2 06
378.860	FNMA POOL #555549 5% 6/01/18	01/31/2006	02/25/2009	378.86	376.49	2 37
490.870	FNMA POOL #555549 5% 6/01/18	01/31/2006	03/25/2009	490.87	487.80	3 07
466.480	FNMA POOL #555549 5% 6/01/18	01/31/2006	04/25/2009	466 48	463.56	2.92
537.300	FNMA POOL #555549 5% 6/01/18	01/31/2006	05/25/2009	537.30	533.94	3 36
540.170	FNMA POOL #555549 5% 6/01/18	01/31/2006	06/25/2009	540 17	536 79	3 38
617.680	FNMA POOL #555549 5% 6/01/18	01/31/2006	07/25/2009	617 68	613.82	3.86
480.210	FNMA POOL #555549 5% 6/01/18	01/31/2006	08/25/2009	480.21	477 21	3.00
452.550	FNMA POOL #555549 5% 6/01/18	01/31/2006	09/25/2009	452.55	449.72	2 83
458.620	FNMA POOL #555549 5% 6/01/18	01/31/2006	10/25/2009	458.62	455.75	2.87
399.860	FNMA POOL #555549 5% 6/01/18	01/31/2006	11/25/2009	399 86	397.36	2 50
19,339.340	FNMA POOL #555549 5% 6/01/18	01/31/2006	12/03/2009	20,229.91	19,218.50	1,011.41
395.090	FNMA POOL #555549 5% 6/01/18	01/31/2006	12/25/2009	395.09	392.62	2.47
15,301 498	HUSSMAN STRATEGIC GROWTH FUND$	VAR	12/10/2009	196,777 26	234,970 61	-38,193 35
1,500.000	ISHARES MSCI EMERGING MKTS INDEX*	VAR	12/08/2009	60,975 95	47,838.75	13,137 20

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

Account Name:

THE LUKE AND MERLE SOULES FAMILY FDN FA316

Account Number: FA316

Tax I.D. Number: XX-XXX5276

Frost Bank

DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
200.000	ISHARES RUSSELL 2000 VALUE INDEX FD*	01/30/2006	12/03/2009	11,220.75	14,270.70	-3,049.95
2,410.554	MATTHEWS JAPAN FUND*	VAR	12/03/2009	27,359.78	42,792.83	-15,433.10
6,524.639	T ROWE PRICE GROWTH STOCK FUND*	VAR	12/10/2009	175,186.56	181,949.57	-6,763.01
1,957.903	USAA PRECIOUS METALS & MINERALS FD*	VAR	12/10/2009	68,467.87	35,564.54	32,903.33
2,186.899	VAN ECK GLOBAL HARD ASSETS FD CL A*	09/30/2005	12/10/2009	85,660.83	69,696.46	15,964.37
50,000.000	VIRGINIA BEACH DEV TA 5.54% 8/01/10	10/31/2006	12/09/2009	50,967.50	50,736.50	231.00
	TOTAL 15% MAXIMUM RATE SALES REPORTED ON 1099-B			1,405,316.99	1,519,277.53	-113,960.54
	TOTAL LONG-TERM SALES			1,405,316.99	1,519,277.53	-113,960.54

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

XD961 1 000