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 , and ending

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: KAVANAGH FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address): 365 CANAL ST. Room/suite: 2000

City or town, state, and ZIP code: NEW ORLEANS, LA 70130-6534

A Employer identification number: 37-1530850

B Telephone number: (504) 584-9324

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: [X] 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)* ▶$ 5,112,631.

J Accounting method: [X] 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))

		(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	168,407.	168,407.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-158,281.			
	b Gross sales price for all assets on line 6a 8,941,565.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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)				
	11 Other income	348,110.	348,110.		STATEMENT 2
	12 **Total.** Add lines 1 through 11	358,236.	516,517.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 3	286.	0.		0.
	b Accounting fees STMT 4	12,523.	0.		0.
	c Other professional fees STMT 5	15,417.	15,417.		0.
	17 Interest				
	18 Taxes STMT 6	24.	24.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 7	597.	441.		0.
	24 **Total operating and administrative expenses** Add lines 13 through 23	28,847.	15,882.		0.
	25 Contributions, gifts, grants paid	260,000.			260,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	288,847.	15,882.		260,000.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	69,389.			
	b **Net investment income** (if negative, enter -0-)		500,635.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	23,266.	52,533.	52,533.
	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			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock STMT 9	915,532.	881,575.	1,053,851.
	c Investments - corporate bonds STMT 10	2,844,361.	2,571,214.	2,659,021.
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 11	1,000,000.	1,347,226.	1,347,226.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	4,783,159.	4,852,548.	5,112,631.
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			
	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 ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	4,783,159.	4,852,548.	STATEMENT 8
	30 **Total net assets or fund balances**	4,783,159.	4,852,548.	
	31 **Total liabilities and net assets/fund balances**	4,783,159.	4,852,548.	

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	4,783,159.
2 Enter amount from Part I, line 27a	2	69,389.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	4,852,548.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,852,548.

Form **990-PF** (2009)

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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				
b	SEE ATTACHED STATEMENT			
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	8,941,565.		9,099,846.	-158,281.

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				-158,281.

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	-158,281.
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). If (loss), enter -0- in Part I, line 8		3	N/A

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 instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	243,241.	4,687,845.	.051888
2007	7,672.	5,025,557.	.001527
2006	0.	2,231,598.	.000000
2005			
2004			

2 Total of line 1, column (d)	2	.053415
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	.017805
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	5,107,741.
5 Multiply line 4 by line 3	5	90,943.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	5,006.
7 Add lines 5 and 6	7	95,949.
8 Enter qualifying distributions from Part XII, line 4	8	260,000.

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 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 ▶ [X] and enter 1% of Part I, line 27b			1	5,006.
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	5,006.
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	5,006.
6	Credits/Payments:				
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	15,601.		
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	15,601.
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	10,595.
11	Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 10,595. **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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see 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? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		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 year? *If "Yes," complete Part II, col (c), and Part XV.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ LA			
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 the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

		Line	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 ▶ DANIELLE H. KAVANAGH Telephone no. ▶ (504) 584-9324

Located at ▶ 365 CANAL STREET SUITE 2000, NEW ORLEANS, LA ZIP+4 ▶ 70130

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

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 page 20 of the instructions)? N/A | 1b | |

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 ▶ ____, ____, ____, ____

b Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A | 2b | |

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here.

▶ ____, ____, ____, ____

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.)* N/A | 3b | |

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)*

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)? ☐ Yes ☒ No

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

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

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

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

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? — 6b — No: X

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

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

Form **990-PF** (2009)

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

3 Five highest-paid independent contractors for professional services. 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 ▶		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	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	3,384,020.
b	Average of monthly cash balances		1b	307,723.
c	Fair market value of all other assets		1c	1,493,781.
d	**Total** (add lines 1a, b, and c)		1d	5,185,524.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	5,185,524.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	77,783.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	5,107,741.
6	**Minimum investment return** Enter 5% of line 5		6	255,387.

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	255,387.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 5,006.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	5,006.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	250,381.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	250,381.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	250,381.

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	260,000.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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	260,000.
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	5	5,006.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	254,994.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				250,381.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			217,321.	
b Total for prior years: ______ , ______ , ______		0.		
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: ▶ $ 260,000.				
a Applied to 2008, but not more than line 2a			217,321.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				42,679.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				207,702.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	0.			
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) N/A

1 a 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 ▶

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

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see 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).)

DANIELLE H. KAVANAGH

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 of the person to whom applications should be addressed:

DANIELLE H. KAVANAGH, 504-584-9327
365 CANAL STREET SUITE 2000, NEW ORLEANS, LA 70130

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				
THE NEW ORLEANS CENTER FOR CREATIVE ARTS INSTITUTE - 2800 CHARTRES STREET NEW ORLEANS, LA	N/A	501(C)(3)	GENERAL ORGANIZATION SUPPORT	10,000.
BRIDGE HOUSE 1160 CAMP STREET NEW ORLEANS, LA 70130	N/A	501(C)(3)	GENERAL ORGANIZATION SUPPORT	20,000.
NEW ORLEANS BALLET THEATRE 520 FERN STREET NEW ORLEANS, LA 70118	N/A	501(C)(3)	GENERAL ORGANIZATION SUPPORT	25,000.
WYES 111 VETERANS BLVD METAIRIE, LA 70005	N/A	501(C)(3)	GENERAL ORGANIZATION SUPPORT	5,000.
MD ANDERSON 1515 HOLCOMBE BLVD., BOX 426 HOUSTON, TX 77037	N/A	501(C)(3)	GENERAL ORGANIZATION SUPPORT	200,000.
Total ▶ 3a				260,000.
b Approved for future payment				
NONE				
Total ▶ 3b				0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	168,407.	
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			14	348,110.	
8 Gain or (loss) from sales of assets other than inventory			14	-158,281.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		358,236.	0.

13 **Total** Add line 12, columns (b), (d), and (e) 13 358,236.

(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).

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
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

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

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

▶ Signature of officer or trustee | 11/12/10 Date | ▶ PRESIDENT Title

Paid Preparer's Use Only

Preparer's signature ▶ S David Kushner, CPA | Date 11/11/10 | Check if self-employed ▶ ☐ | Preparer's identifying number

Firm's name (or yours if self-employed), address, and ZIP code ▶ KUSHNER LAGRAIZE, LLC
3330 WEST ESPLANADE AVENUE, STE 100
METAIRIE, LA 70002

EIN ▶

Phone no. (504) 838-9991

Form **990-PF** (2009)

923622
02-02-10

Form **8868**
(Rev. April 2009)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. *Only submit original (no copies needed).*

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print	Name of Exempt Organization	Employer identification number
	KAVANAGH FAMILY FOUNDATION	37-1530850
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 365 CANAL STREET SUITE 2000	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. NEW ORLEANS, LA 70130	

Check type of return to be filed (file a separate application for each return):

[ ] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (sec. 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[X] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ▶ DANIELLE H. KAVANAGH 365 CANAL STREET SUITE 2000 - NEW ORLEANS, LA 70130
  Telephone No. ▶ (504) 584-9324 FAX No. ▶ (504) 212-0420
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2010 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] calendar year 2009 or
▶ [ ] tax year beginning ______________ , and ending ______________ .

2 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	$ 1,992.
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$ 15,601.
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ 0.

Caution. *If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.*

● If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box ▷ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

● If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed)

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization KAVANAGH FAMILY FOUNDATION	Employer identification number 37-1530850
	Number, street, and room or suite no If a P O box, see instructions 365 CANAL STREET SUITE 2000	For IRS use only
	City, town or post office, state and ZIP code For a foreign address, see instructions NEW ORLEANS LA 70130	

Check type of return to be filed (File a separate application for each return)

- [ ] Form 990
- [X] Form 990-PF
- [ ] Form 1041-A
- [ ] Form 6069
- [ ] Form 990-BL
- [ ] Form 990-T (sec 401(a) or 408(a) trust)
- [ ] Form 4720
- [ ] Form 8870
- [ ] Form 990-EZ
- [ ] Form 990-T (trust other than above)
- [ ] Form 5227

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868

● The books are in the care of ▷ DANIELLE H KAVANAGH

Telephone No ▷ (504) 584-9324 FAX No ▷

● If the organization does not have an office or place of business in the United States, check this box ▷ [ ]

● If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box . ▷ [ ] If it is for part of the group, check this box ▷ [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/15/2010

5 For calendar year 2009 , or other tax year beginning ______ , and ending ______

6 If this tax year is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension More time is requested to acquire all information needed to complete and file an accurate return

8 a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	$	1,992
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$	15,601
c Balance Due. Subtract line 8b from line 8a Include your payment with this form or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	$	0

Signature and Verification

Under penalties of perjury I declare that I have examined this form including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete and that I am authorized to prepare this form

Signature ▷ Wendy Dew Title ▷ CPA Date ▷ 8/15/10

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	MORGAN STANLEY - ATTACHMENT A	P	03/05/07	01/26/09
b	UBS - CAPITAL GAIN DISTRIBUTIONS	P	VARIOUS	VARIOUS
c	UBS - ATTACHMENT B	P	VARIOUS	VARIOUS
d	UBS - ATTACHMENT B	P	VARIOUS	VARIOUS
e	UBS - ATTACHMENT B	P	VARIOUS	VARIOUS
f	SECTION 1231 GAIN/LOSS FROM PASSTHROUGHS	P	VARIOUS	VARIOUS
g	UBS - OPTIONS PREMIUMS	P	VARIOUS	VARIOUS
h	MORGAN STANLEY - ATTACHMENT A	P	VARIOUS	VARIOUS
i	CAPITAL GAINS DIVIDENDS			
j				
k				
l				
m				
n				
o				

	(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	531.		926.	-395.
b	782.			782.
c	6,465,994.		6,489,806.	-23,812.
d	719,367.		818,796.	-99,429.
e	578,031.		685,921.	-107,890.
f	-672.			-672.
g	-10,130.			-10,130.
h	1,164,917.		1,104,397.	60,520.
i	22,745.			22,745.
j				
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				-395.
b				782.
c				-23,812.
d				-99,429.
e				-107,890.
f				-672.
g				-10,130.
h				60,520.
i				22,745.
j				
k				
l				
m				
n				
o				

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	-158,281.
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

923591
04-24-09

ACTIVE ASSETS ACCOUNT
FOR MONTH ENDING MARCH 31, 2009

KAVANAGH FAMILY FOUNDATION
400 POYDRAS STREET STE 1410

Realized Gain/(Loss)	Quantity	Date Acquired	Date Sold	Total Cost Original / Adjusted*	Proceeds	Realized Gain/(Loss)	Additional Information
Short Term							
APPLE INC 100.000 FEB C	2	02-23-09	02-10-09	0.00	390.99	390.99	Short Term
BANK OF AMERICA CORP		09-03-08	01-02-09	0.00	10.30	10.30	Cash in Lieu
BANK OF AMERICA CORP 17.500 JAN C	12	01-20-09	01-06-09	0.00	74.58	74.58	Short Term
BANK OF AMERICA CORP 7.500 FEB C	12	02-23-09	01-21-09	0.00	628.49	628.49	Short Term
BELLSOUTH CORP 4.200 9-15-09	120,000	08-11-08	02-10-09	120,986.85			Short Term
				120,540.10	121,194.75	654.65	
BRITISH SKY BROAD 6 7/8 2-23-09	150,000	07-18-08	02-23-09	151,532.25			
				150,000.00	150,000.00		
ELI LILLY & CO 40.000 JAN C	15	01-20-09	01-02-09	0.00	2,133.16	2,133.16	Short Term
ELI LILLY & CO 40.000 FEB C	15	02-23-09	01-21-09	0.00	1,390.52	1,390.52	Short Term
EOT CORPORATION COM N 35.000 FEB C	15	02-23-09	01-21-09	0.00	1,686.46	1,686.46	Short Term
EQUITABLE RESOURCES I 35.000 JAN C	15	01-20-09	01-13-09	0.00	339.99	339.99	Short Term
FORD MOTOR CR 5.800 1-12-09	103,000	12-23-08	01-06-09	101,717.75	102,994.75	1,277.00	Short Term
GOLDCORP INC 30.000 JAN C	31	01-20-09	12-17-08	0.00	12,559.83	12,559.83	Short Term
GOLDCORP INC 30.000 FEB C	31	02-11-09	01-20-09	7,135.87	3,830.31	(3,305.56)	Short Term
GOLDMAN SACHS GRP INC 85.000 JAN C	6	01-20-09	12-24-08	0.00	1,136.76	1,136.76	Short Term
GOLDMAN SACHS GRP INC 85.000 FEB C	6	02-11-09	01-21-09	6,095.25	584.08	(5,511.17)	Short Term
GOOGLE INC-CL A 340.000 JAN C	2	01-20-09	01-02-09	0.00	590.99	590.99	Short Term
GOOGLE INC-CL A 330.000 FEB C	2	02-11-09	01-21-09	6,401.09	1,504.75	(4,896.34)	Short Term
HOME DEPOT INC 22.500 FEB C	16	02-23-09	02-05-09	0.00	742.32	742.32	Short Term
IVANHOE MINES LTD 5.000 JAN C	2	01-08-09	01-06-09	26.85	18.69	(8.16)	Short Term
IVANHOE MINES LTD 5.000 JAN C	62	01-20-09	01-06-09	0.00	579.51	579.51	Short Term
IVANHOE MINES LTD 5.000 JAN C	64	01-20-09	01-06-09	0.00	597.89	597.89	Short Term
MARATHON OIL CO 35.000 FEB C	4	02-23-09	01-02-09	0.00	159.83	159.83	Short Term
MONSANTO CO/NEW 85.000 JAN C	11	01-20-09	01-02-09	0.00	244.19	244.19	Short Term
MONSANTO CO/NEW 85.000 FEB C	11	02-23-09	01-20-09	0.00	1,662.28	1,662.28	Short Term
NATIONAL RURAL 5 3/4 8-28-09	60,000	08-06-08	01-06-09	61,511.85			Short Term
				60,795.70	60,909.75	114.05	
REV CVT ON AAPL 11 1/4 2-04-09	25,000	02-04-09	02-04-09	25,000.00 D	25,873.60	873.60	Short Term
REV CVT ON AAPL 11.000 2-27-09	40,000	11-05-08	02-27-09	38,409.61 D			Short Term
				37,304.33	40,000.00	2,695.67	
REV CVT ON AAPL 11.000 2-27-09	35,000	11-07-08	02-27-09	31,804.93 D			Short Term
				30,837.79	35,000.00	4,162.21	
REV CVT ON HD 11.000 1-30-09	47,000	01-30-09	01-30-09	47,000.00 D	47,329.66	329.66	Short Term
REV CVT ON ORCL 11 1/2 2-20-09	30,000	03-24-08	02-20-09	28,682.97 D	30,000.00	1,317.03	Short Term
REV CVT ON WFC 14.300 2-27-09	100,000	11-03-08	02-27-09	98,428.20 D			Short Term
				94,658.90	1,116.23	(93,542.67)	

This summary is not part of your account statement. It is for information purposes only and should not be used for tax preparation.

*Adjusted Cost, Unit and Total, does not apply to all securities; it only applies to those securities whose terms can cause them to increase or reduce in value until maturity. Please contact your Financial Advisor for more information.

Morgan Stanley #122648 - attachment #

ACTIVE ASSETS ACCOUNT
FOR MONTH ENDING MARCH 31, 2009

KAVANAGH FAMILY FOUNDATION
400 POYDRAS STREET STE 1410

Realized Gain/(Loss)	Quantity	Date Acquired	Date Sold	Total Cost Original / Adjusted*	Proceeds	Realized Gain/(Loss)	Additional Information
REV CVT ON NFC 14.300 2-27-09	40,000	11-05-08	02-27-09	39,594.08 D		228,360.13	Short Term
				38,086.36	266,446.49	~~(37,639.87)~~	
REV CVT ON NFC 14.300 2-27-09	60,000	11-07-08	02-27-09	54,899.79 D			Short Term
				52,638.21	669.74	(51,968.47)	
REV CVT ON NFC 14.300 2-27-09	65,000	11-14-08	02-27-09	61,012.06 D			Short Term
				59,156.80	736.71	(58,420.09)	
VALERO ENERGY CP DELA 25.000 JAN C	25	01-20-09	12-19-08	0.00	2,216.50	2,216.50	Short Term
VALERO ENERGY CP DELA 25.000 FEB C	25	02-23-09	01-20-09	0.00	3,236.31	3,236.31	Short Term
WYETH 37.500 JAN C	8	01-16-09	12-24-08	1,281.70	766.80	(514.90)	Short Term
WYETH 40.000 JAN C	7	01-20-09	12-24-08	0.00	261.06	261.06	Short Term
WYETH	800	11-05-08	02-10-09	26,513.52 M	32,023.47	5,509.95	Short Term
WYETH	600	11-05-08	02-10-09	19,885.14 M	24,479.61	4,594.47	Short Term
WYETH	100	11-05-08	02-20-09	3,314.19 M	4,032.14	717.95	Short Term
1ST CHICAGO CORP 6 3/8 1-30-09	45,000	07-18-08	01-02-09	45,713.36			Short Term
				45,087.76	44,942.47	(145.29)	
1ST CHICAGO CORP 6 3/8 1-30-09	140,000	07-24-08	01-02-09	142,236.85	139,821.03	(2,415.82)	Short Term
Sub Total Short Term				$1,104,397.13	~~$898,916.99~~ 1,164,916.99	~~($203,480.14)~~ 60,519.86	
Long Term							
ISHARES MSCI EMERGING MKTS FD	26	03-05-07	01-26-09	925.74 E	530.72	(395.02)	Long Term
Sub Total Long Term				$925.74	$530.72	($395.02)	
Totals for closing transactions with cost data available				$1,105,322.87	~~$899,447.71~~ 1,165,447.71	~~($203,875.16)~~ 60,124.84	
Total Proceeds					~~$899,447.71~~		

M - Options exercise and assignments include options premiums when determining the realized gain and loss.
E - This transaction was executed elsewhere and the securities were later transferred to your Morgan Stanley account. The trade history for this transaction was provided to Morgan Stanley by your prior financial institution.
D - Periodic payments on this security consist of interest and option premium. The cost basis for this tax lot is reduced by the option premium received. The interest portion is reported on Form 1099-INT.

This summary is not part of your account statement. It is for information purposes only and should not be used for tax preparation.

*Adjusted Cost, Unit and Total, does not apply to all securities; it only applies to those securities whose terms can cause them to increase or reduce in value until maturity. Please contact your Financial Advisor for more information.

Morgan St... # 2...46 - Attachment A

21.

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000184-X

2009 Realized Gain/Loss Summary *(Includes sale proceeds not reported on Form 1099-B)*

This Realized Gain/Loss Summary is not a tax reporting document and has not been submitted to the IRS If your sale amount matches the amount on Form 1099-B, which is reported to the IRS, it is marked as such. Please rely on the confirmations previously provided to you as your official activity record.

Estimated 2009 Gain/Loss for transactions with trade dates through 12/31/09 has been incorporated into this statement. Realized gain/loss is based on the sales amount less the cost basis Please note that gain or loss recognized on the sale or redemption of certain Structured Products may be ordinary, and not capital, gain or loss. Please check with your tax advisor and/or read the tax-related disclosure materials associated with those products. Note that the Original Cost Basis column is only populated for transactions of securities that have had their basis reduced due to premium amortization or increased due to OID accretion.

'he cost basis of the oldest security lot (first-in, first-out or FIFO method of accounting) is assigned to a sale to calculate Gain/Loss unless you identified a specific lot (a "versus purchase" or "VSP" order) when you laced your sell order. An asterisk (*) indicates a UBS Financial Services adjustment to cost basis The number "1" indicates cost basis information has been provided by a source other than UBS Financial Services. Gain/Loss may not have been adjusted for all capital changes. Gain/Loss values that may be subject to Wash Sale provisions are not indicated here. "Earnings" in the Purchase Date column indicates the position sold was acquired on various dates through dividend reinvestment and that the Gain/Loss has been aggregated

Cost basis for coupon tax-exempt municipal securities (including securities subject to AMT) has been adjusted for mandatory amortization of bond premium The OID amount reported on your Form 1099-OID is not adjusted for Market Discount, Acquisition Premium, or Bond Premium Therefore, the amortization and accretion adjustments used here may not be consistent with the Form 1099-OID amount because the reporting requirements are different

Gain/Loss from short sale closings are reported as short-term regardless of the holding period of property used to close the short position Clients should consult their tax advisors as to whether exceptions may apply in their particular case to change this classification. The potential application of the "Constructive Sale" provisions (Sec 1259) for short-against-the box transactions is not considered Clients should discuss the possible application of these provisions with their tax advisor

	Purchase	Sale	Gains	Losses	Net Gain/Loss
Short-term Gain/Loss:	$ 6,493,246 37	$ 6,465,994.21	$ 220,140.04	$ -247,392.20	$ -27,252.16
Long-term Gain/Loss.	818,796 10	719,367 42	2,940.60	-102,369 28	-99,428 68
Unclassified Gain/Loss.	117,081.76	578,031 48			7,918 24
Sub Total:	**$ 7,312,042.47**	**$ 7,185,361.63**	**$ 223,080.64**	**$ -349,761.48**	**$ -126,680.84**
Activity with Gain/Loss not calculated or subject to 60/40 rule:	$ 117,081.76	$ 179,000 00	$	$	$ 7,918 24
Activity with Gain/Loss not calculated due to missing information:		399,031.48			
Total:	**$ 7,429,124.23**	**$ 7,763,393.11**	**$ 223,080.64**	**$ -349,761.48**	**$ -118,762.60**

Short-Term Gain/Loss

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
ADOBE SYSTEMS INC (DELAWARE)	*Trade*	300.000		10/07/09	10/15/09	10,019 74	9,951 00	68.74		
	Trade	1,200.000		10/07/09	10/16/09	40,078.96	39,804 00	274.96		
AETNA INC	*Trade*	2,000.000		10/19/09	11/09/09	51,698 66	50,540 00	1,158 66		
	Trade	2,000 000		11/30/09	12/18/09	58,498.49	57,720.00	778.49		
ALLSTATE CORP SENIOR NTS 07 200% 120109 DTD111799 FC060100 M-W+15BP	*Redemption*	25,000 000		04/01/09	12/01/09	25,000 00	25,638.75	-638.75		Y

Continued on page 21

UBS #08579 - Attachment B

1/13

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000185-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B.

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
AMER EXP CENTURION 05 200% 112610 DTD112607 FC052608 MED TERM NTS	Trade	50,000 000		04/29/09	11/04/09	51,870 50	49,939 25	1,931 25		Y
	Trade	100,000 000		05/19/09	11/04/09	103,741 00	101,152 25	2,588 75		Y
AMER MEDICAL SYSTEMS HOLDINGS	Trade	881 000		08/31/09	09/01/09	13,533.81	13,267.86	265 95		Y
	Trade	454 000		08/31/09	09/01/09	6,973 26	6,837 24	136 02		Y
	Trade	165.000		08/31/09	09/08/09	2,521 31	2,484.90	36 41		Y
APPLE INC	Trade	25 000		02/10/09	03/23/09	2,593 62	2,510 76	82.86 1		Y
AT&T INC	Trade	2,000 000		10/07/09	11/20/09	53,838 61	52,392 00	1,446 61		
BANK OF AMER CORP	Trade	742.154		09/03/08	04/17/09	6,166 07	45,494.83	-39,328 76 1		
	Trade	457 846		09/03/08	04/17/09	3,803 94	29,155 63	-25,351.69 1		
	Trade	6.000		09/03/08	05/08/09	53 51	382 08	-328 57 1		Y
BARCLAYS BK PLC 20 000% 043009 DTD103108 FC113008 MED TERM NTS	Redemption	100,000 000		01/06/09	04/30/09	100,000 00	98,555 26	1,444 74 1		Y
	Redemption	8,000 000		01/07/09	04/30/09	8,000 00	7,767 76	232.24 1		Y
BARCLAYS BK PLC 11 000% 033009 DTD033108 FC043008 MED TERM NTS	Redemption	10,000 000		12/17/08	03/30/09	10,000 00	9,383 23	616 77 1		Y
	Redemption	80,000 000		12/23/08	03/30/09	80,000 00	73,761 17	6,238 83 1		Y
BAXTER INTL INC	Trade	1,000 000		11/03/09	11/20/09	54,398 60	53,860 00	538.60		
BRISTOL MYERS SQUIBB CO	Trade	3,200 000		09/22/09	09/29/09	72,574.14	71,999.73	574 41		
	Trade	800 000		09/22/09	10/16/09	18,143 52	17,999.93	143 59		
CALL AT&T INC DUE 10/17/09 26 000 0083T8	Expired	-20 000		10/19/09	10/07/09	939 97		939 97		
CALL BANK OF NEW YORK ME DUE 11/21/09 28 000 0426Q4	Expired	-20 000		11/23/09	10/20/09	3,099 92		3,099 92		

Continued on page 22

UBS # 08579 - Attachment B

2/13

2009 Informational Tax Statement

C36G000186-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B.

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
CALL BANK OF NEW YORK ME DUE 12/19/09 27.000 0426Q4	Expired	-20 000		12/21/09	11/23/09	1,499 96		1,499 96		
ᴗALL CVS CAREMARK CORP DUE 12/19/09 32 000 0731H1	Expired	-9 000		12/21/09	12/16/09	134 99		134 99		
CALL DELTA AIR LINES INC DUE 11/21/09 8 000 1238P1	Expired	-40.000		11/23/09	10/29/09	999.97		999 97		
CALL DIRECTV GROUP INC DUE 10/17/09 27 000 1253H5	Expired	-20.000		10/19/09	10/08/09	1,799 95		1,799.95		
CALL EQT CORP DUE 04/18/09 35.000 138GV4	Expired	-15 000		04/20/09	04/03/09	692 69		692 69		
CALL EXXON MOBIL CORP DUE 12/19/09 70 000 1462Q5	Expired	-20 000		12/21/09	12/14/09	1,019 97		1,019.97		
ALL GOLDCORP INC NEW DUE 12/19/09 42 000 1862S8	Expired	-25.000		12/21/09	12/10/09	1,449.96		1,449.96		
CALL GOOGLE INC CL A DUE 03/21/09 340 000 1764G8	Expired	-2.000		03/23/09				-Not Calculated-		
CALL HOME DEPOT INC DUE 05/16/09 25 000 211834	Expired	-16 000		05/18/09	04/02/09	2,582.23		2,582.23		

Continued on page 23

1125 Acct # 08573 - Attachment B

3/13

Account Number 8R 08579 75
Your Financial Advisor or Contact
DWIGHT WEST
303-267-3000/800-288-5258

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000187-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B.

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
CALL HOME DEPOT INC DUE 06/20/09 25 000 211834	Expired	-16.000		06/22/09	05/19/09	1,210.19		1,210.19		
CALL JPMORGAN CHASE & CO DUE 04/18/09 31 000 241JP2	Shortcover	-28.000		04/17/09	04/02/09	2,741.81	4,915 36	-2,173.55		
CALL KINDER MORGAN ENERG DUE 05/16/09 50 000 248AH5	Expired	-20 000		05/18/09	04/02/09	739.63		739.63		
CALL KINDER MORGAN ENERG DUE 06/20/09 50 000 248AH5	Expired	-20.000		06/22/09	05/27/09	457 96		457.96		
CALL LILLY ELI & CO DUE 04/18/09 35 000 261025	Expired	-15.000		04/20/09	04/03/09	334 75		334.75		
CALL MARATHON OIL CORP DUE 05/16/09 30 000 2736L5	Expired	-4 000		05/18/09	04/02/09	679 24		679.24		
CALL METLIFE INC DUE 11/21/09 36 000 2854U7	Expired	-15 000		11/23/09	10/16/09	3,824 90		3,824.90		
CALL MONSANTO CO NEW DUE 04/18/09 85 000 2875H0	Expired	-11.000		04/20/09	04/02/09	3,040.69		3,040.69		
CALL PEPSICO INC DUE 12/19/09 60 000 368024	Expired	-8 000		12/21/09	12/15/09	879 97		879.97		

Continued on page 24

UBS #08579 - Attachment B

4/13

Account Number 8R 08579 75
Your Financial Advisor or Contact
DWIGHT WEST
303-267-3000/800-288-5258

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000188-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
CALL PLAINS ALL AMER PIP DUE 10/17/09 50.000 3783G2	Expired	-15.000		10/19/09	09/22/09	299.99		299 99		
CALL PLAINS ALL AMER PIP DUE 11/21/09 50.000 3783G2	Expired	-4 000		11/23/09	10/20/09	219.99		219.99		
CALL STATE STREET CORP DUE 11/21/09 43 000 4406Q0	Expired	-10 000		11/23/09	10/21/09	4,099 89		4,099 89		
CALL STATE STREET CORP DUE 12/19/09 42 000 4406Q0	Expired	-10 000		12/21/09	11/23/09	1,549 96		1,549 96		
CALL TRAVELERS COS INC/T DUE 12/19/09 50 000 462A87	Expired Expired	-20 000 -15 000		12/21/09 12/21/09	12/01/09 12/03/09	5,699 85 2,924.92		5,699.85 2,924 92		
CALL UNITEDHEALTH GROUP DUE 10/17/09 22 500 4761V3	Expired	-30 000		10/19/09	10/08/09	4,499 88		4,499.88		
ALL VALERO ENERGY CORP DUE 05/16/09 22 000 4894R2	Expired	-25 000		05/18/09	04/02/09	1,982 04		1,982.04		
CALL VALERO ENERGY CORP DUE 06/20/09 23 000 4894R2	Expired	-25.000		06/22/09	05/19/09	1,406 02		1,406.02		
CALL VERIZON COMMUNICATI DUE 10/17/09 29.000 492BA3	Expired	-20 000		10/19/09	10/07/09	1,099.97		1,099.97		
CHINA LIFE INSURANCE CO LTD ADS	Trade	200 000		08/17/09	09/16/09	12,639 67	12,300.00	339.67		

Continued on page 25

1125 #08579 - Attachment B

5/13

UBS Financial Services Inc.

Account Number 8R 08579 75
Your Financial Advisor or Contact
DWIGHT WEST
303-267-3000/800-288-5258

2009 Informational Tax Statement

C36G000189-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
CHINA MOBILE LTD SPON ADR	Trade	1,000 000		09/29/09	10/16/09	50,678 68	49,310 00	1,368 68		
SCO SYSTEMS INC	Trade	1,000 000		09/02/09	09/17/09	21,649 44	21,519 70	129.74		
	Trade	1,000 000		09/02/09	09/18/09	21,649 43	21,519 70	129.73		
CITIGROUP INC B/E 08 400% 042949 DTD042808 FC103008	Trade	60,000 000		11/03/08	06/08/09	46,344 75	43,889.25	2,455.50	1	Y
CONSTELLATION ENERGY 06 125% 090109 DTD082702 FC030103 GROUP MW+25BP	Redemption	60,000.000		02/06/09	09/01/09	60,000 00	60,567 45	-567.45	1	Y
COOPER COMPANIES INC NEW	Trade	2,000 000		09/02/09	09/18/09	54,248 59	53,080 00	1,168 59		
CREDIT SUISSE FB USA INC 04 875% 081510 DTD081705 FC021506 NTS B/E	Trade	65,000 000		04/29/09	12/30/09	66,688 79	66,484 65	204 14		Y
DELTA AIR LINES INC DELA NEW	Trade	2,800 000		10/21/09	12/15/09	22,119 42	23,603 72	-1,484.30		
	Trade	1,200 000		10/21/09	12/18/09	9,479 75	10,115 88	-636 13		
RECTV GROUP INC MERGER EFF. 11/09**	Trade	2,000 000		08/14/09	09/18/09	51,198 67	48,638.60	2,560.07		
DOW CHEMICAL CO NT 08 550% 101509 DTD101589 FC041590	Redemption	172,000 000		04/02/09	10/15/09	172,000 00	175,961.25	-3,961 25		Y
EQT CORP	Trade	1,500 000		08/14/08	05/15/09	53,509 20	75,033.96	-21,524.76	1	
EV ENERGY PARTNERS LP UNITS REPSTG LTD PARTNER INTS MLP	Trade	2,000 000		10/29/09	11/20/09	51,098 68	~~50,400.00~~ 48,892	~~698 68~~ 2206.68		

Continued on page 26

6/13

UBS #08579 - Attachment 8

Your Financial Advisor or Contact
DWIGHT WEST
303-267-3000/800-288-5258

2009 Informational Tax Statement

C36G000190-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
FLEETBOSTON FINL CORP 07 375% 120109 DTD120699 FC060100 SUB NOTES	Redemption	150,000 000		05/19/09	12/01/09	150,000.00	153,305 25	-3,305.25		Y
PL GROUP INC	Trade	1,000 000		11/03/09	11/20/09	50,868 67	49,040 00	1,828 67		
GAMESTOP CORP NEW (HOLDING CO) CL A	Trade	1,500 000		08/24/09	09/18/09	34,724.10	34,154 55	569 55		
	Trade	2,000.000		10/20/09	11/20/09	48,098.75	52,057.40	-3,958 65		
	Trade	2,000 000		11/13/09	11/20/09	53,098 62	47,318 00	5,780 62		
	Trade	4,000 000		12/02/09	12/18/09	89,797.69	87,506.00	2,291.69		
GOLDCORP INC NEW	Trade	900.000		04/17/09	05/15/09	27,402 58	25,160 41	2,242.17		
	Trade	3,095.000		04/21/09	05/15/09	94,234 43	84,298 39	9,936.04		
	Trade	5 000		04/21/09	06/19/09	154 43	136 18	18.25		
	Trade	1,995 000		05/01/09	06/19/09	61,621 94	55,148 18	6,473 76		
	Trade	1,500 000		10/07/09	10/16/09	63,973 34	63,206 25	767 09		
	Trade	2,000 000		10/20/09	11/20/09	84,397.82	82,759.80	1,638 02		
GOLDMAN SACHS GROUP INC	Trade	555.000		10/30/08	03/20/09	49,645 24	109,652.66	-60,007 42	1	Y
	Trade	45 000		11/11/08	03/20/09	4,025 29	3,206 25	819.04	1	Y
GOLDMAN SACHS GROUP INC 06 650% 051509 DTD051999 FC111599 SR UNSUB	Redemption	73,000 000		07/11/08	05/15/09	73,000 00	74,991.58	-1,991.58	1	Y
GOOGLE INC CL A	Trade	200 000		11/07/08	03/23/09	67,946 69	67,040.00	906 69	1	Y
GTE CORP NTS 07 510% 040109 DTD040197 FC100197	Redemption	100,000 000		08/27/08	04/01/09	100,000 00	102,439 25	-2,439 25	1	Y
HALLIBURTON CO (HOLDING COMPANY)	Trade	2,000 000		11/27/09	12/18/09	59,058 47	58,551 00	507.47		
HOME DEPOT INC	Trade	1,598.000		02/02/09	08/21/09	41,914.44	44,120 78	-2,206 34	1	
	Trade	2 000		02/05/09	08/21/09	52.45	52 84	-.39	1	

Continued on page 27

IRS #08579 - Attachment B

7/13

Account Number 8R 08579 75
Your Financial Advisor or Contact
DWIGHT WEST
303-267-3000/800-288-5258

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000191-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
ISHARES TRUST MSCI VALUE INDEX FUND	Trade	59 000		11/11/08	04/21/09	2,122.23	2,337 65	-215.42 1		Y
HARES TRUST MSCI EAFE GROWTH INDEX FUND	Trade	2.000		11/11/08	04/21/09	79.10	101 66	-22 56 1		Y
IVANHOE MINES LTD	Trade	3,000 000		08/06/08	03/20/09	14,805.86	31,260.00	-16,454.14 1		Y
	Trade	7,500 000		09/05/08	03/20/09	37,014 65	69,905.25	-32,890 60 1		Y
	Trade	2,100.000		10/02/08	03/20/09	10,364.10	10,962 00	-597.90 1		Y
	Trade	5,000 000		08/07/09	08/21/09	41,498.92	37,000.00	4,498.92		
JPMORGAN CHASE & CO	Trade	1,012.000		11/19/08	05/15/09	35,780.89	30,502.19	5,278.70 1		
	Trade	406.000		01/02/09	05/15/09	14,354.78	12,999.59	1,355 19 1		
KINDER MORGAN ENERGY PARTNERS MLP	Trade	985 000		04/01/09	08/21/09	52,696.13	46,605.35 147,243.32	~~[illegible]~~	16,313.51	
	Trade	1,015 000		04/01/09	08/21/09	54,301.09	47,927.97 <2621.00>	~~[illegible]~~		
	Trade	1,000 000		08/12/09	09/18/09	53,998 61	52,710.00 144,622.32	~~[illegible]~~		
LABORATORY CORP AMER HLDGS NEW	Trade	1,000 000		09/18/09	10/16/09	65,198.32	63,509.90	1,688 42		
LAS VEGAS SANDS CORP	Trade	2,000 000		10/16/09	11/20/09	34,199.12	33,040 00	1,159.12		
	Trade	2,000 000		11/20/09	12/18/09	33,539.13	32,519 80	1,019.33		
	Trade	3,000.000		12/07/09	12/18/09	48,598.74	48,180.00	418.74		
LILLY ELI & CO	Trade	1,500 000		11/05/08	05/12/09	52,669.72	51,620.25	1,049.47 1		
LORILLARD INC	Trade	1,000 000		11/20/09	11/25/09	80,497.92	79,040 00	1,457.92		
MARATHON OIL CORP	Trade	400 000		01/02/09	06/19/09	12,238 01	23,024.08	-10,786 07 1		
MERRILL LYNCH & CO INC 04 250% 020810 DTD020705 FC080805 NTS	Trade	150,000 000		05/19/09	12/30/09	150,463.80	150,792.75	-328 95		Y
METLIFE INC	Trade	1,500 000		10/16/09	11/20/09	51,823 66	55,620.00	-3,796.34		
	Trade	1,500 000		11/13/09	12/18/09	54,223.60	51,238.14	2,985 46		

Continued on page 28

8/13

1125 #08579 - Attachment B

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000192-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
MONSANTO CO NEW	Trade	1,100 000		11/14/08	05/15/09	94,186 04	83,966.27	10,219.77	1	
MORGAN STANLEY ZERO CPN	Trade	200,000 000	173,005 25	10/24/08	07/09/09	188,495.00	181,144 68	7,350.32	1	Y
·:000% 073010 DTD073107	Trade	10,000.000	8,705 25	12/30/08	07/09/09	9,424 75	9,011.29	413 46	1	Y
.C073010 MTN BSKT										
MORGAN STANLEY	Trade	120,000.000		02/10/09	07/09/09	120,747 71	120,005 25	742 46	1	Y
04.000% 011510 DTD111204	Trade	155,000 000		04/01/09	07/09/09	155,965 79	155,547.75	418 04		Y
FC071505 NOTES										
MORGAN STANLEY MTN	Trade	22,000 000	20,245 25	12/08/08	07/09/09	21,059 75	21,079 37	-19 62	1	Y
00 000% 110309 DTD050306										
FC110309 ZERO CPN										
MORGAN STANLEY DEAN WITT	Trade	30,000 000		08/11/09	12/30/09	30,900 00	31,458 00	-558 00		Y
08 000% 061510 DTD060900										
FC121500 GLOBAL NTS										
NATIONAL WESTMINSTER BK	Redemption	50,000 000		04/01/09	10/01/09	50,000 00	50,092.75	-92 75		Y
07 375% 100109 DTD092899	Redemption	25,000 000		08/21/09	10/01/09	25,000 00	25,125 00	-125 00		Y
FC040100 SUB NOTES										
NCNB CORP	Redemption	80,000 000		04/20/09	09/15/09	80,000 00	81,525.25	-1,525 25		Y
~9 375% 091509 DTD092789										
:031590 NOTES										
NEW ENG TEL TEL M-W+15BP	Redemption	72,000.000		08/06/08	04/15/09	72,000 00	73,264.53	-1,284 53	1	Y
05 875% 041509 DTD041999										
FC101599 NTS										
NUCOR CORP	Trade	2,000 000		12/10/09	12/18/09	85,497 79	84,940 00	557 79		
NUVEEN GLOBAL VALUE	Trade	3,900 000		11/19/08	04/29/09	45,540 25	38,220 00	7,320 25	1	Y
OPPORTUNITIES FUND	Trade	100 000		11/19/08	04/29/09	1,167 70	978.25	189 45	1	Y
PFIZER INC	Trade	2,000 000		11/03/09	11/20/09	33,939.12	33,799 80	139 32		
	Trade	1,000 000		11/03/09	11/20/09	17,289 53	16,899 90	389 63		
	Trade	2,000.000		11/06/09	11/20/09	34,579 08	33,739 80	839.28		

Continued on page 29

UBS #08573 - Attachment 8

9/13

UBS Financial Services Inc.

Account Number 8R 08579 75
Your Financial Advisor or Contact
DWIGHT WEST
303-267-3000/800-288-5258

2009 Informational Tax Statement

C36G000193-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B.

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
PFIZER INC	Trade	5,000 000		12/07/09	12/18/09	91,697 63	91,200.00	497 63		
PLAINS ALL AMER PIPELINE UNIT LTD PARTNERSHIP INT MLP	Trade	1,100 000		09/18/09	11/20/09	55,603 56	51,480 00 150,952.06	[illegible]	6,634.91	
	Trade	400 000		09/18/09	12/18/09	20,399 47	18,720 00 + 14.00	[illegible]		
	Trade	1,600 000		11/30/09	12/18/09	81,597.88	80,752 00 150,966.00	~~845.88~~		
PNC FUNDING CORP NTS B/E 04 500% 031010 DTD031005 FC091005	Trade	332,000 000		04/01/09	11/04/09	335,937 52	333,914 25	2,023 27		Y
REGENCY ENERGY PARTNERS LP UNITS REPSTG LTD PARTNER INT	Trade	1,100 000		05/08/09	07/29/09	19,227.50	13,376 42 48,557.53	[illegible]	20,692.66	Y
	Trade	100 000		05/08/09	07/29/09	1,754.95	1,216 04 675.00	[illegible]		Y
	Trade	2,800 000		05/19/09	07/29/09	48,942 74	33,965.07 49,232.53	[illegible]		Y
REYNOLDS AMERN INC (HOLDING CO)	Trade	1,200 000		11/30/09	12/07/09	60,718 43	60,071 00	647.43		
SMUCKER J M CO NEW	Trade	900 000		11/03/09	11/09/09	47,113 77	46,457.91	655 86		
	Trade	100 000		11/03/09	11/20/09	5,234 87	5,161 99	72 88		
SPRINT CAPITAL CORP GLBL 06 375% 050109 DTD050699 FC110199 M-W +20 BP	Redemption	185,000 000		12/31/08	05/01/09	185,000.00	185,467 75	-467.75	1	Y
STATE STREET CORP	Trade	1,000 000		10/21/09	12/18/09	41,948 91	46,008 60	-4,059.69		
SUNTRUST BANKS INC NTS 04 250% 101509 DTD080604 FC041505	Redemption	136,000 000		04/29/09	10/15/09	136,000 00	136,658 05	-658 05		Y
TELECOM ITALIA 04 000% 011510 DTD071505 FC011506 CALL@M/W+20BP	Trade	50,000 000		04/29/09	12/30/09	50,041 50	50,205 25	-163 75		Y
TEXTRON INC SR NTS 04 500% 080110 DTD072503 FC020104 CALL@M/W+20BP	Tender	50,000 000		08/31/09	09/22/09	50,875 00	50,125 00	750 00		Y

Continued on page 30

URS #08573 - Attachment B

10/13

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000194-X

Short-Term Gain/Loss - continued

This section includes securities held for less than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
THE DIRECTV GROUP CL A	*Trade*	2,000 000		10/07/09	11/20/09	55,998 55	54,932 00	1,066 55		
TOTAL S A FRANCE SPON ⁾R	*Trade*	1,000 000		04/20/09	05/13/09	50,470 46	46,017 00	4,453 46		
UNITEDHEALTH GROUP INC	*Trade*	3,000 000		10/08/09	10/16/09	67,498.26	70,860 00	-3,361.74		Y
	Trade	2,000 000		10/16/09	11/20/09	51,498 67	48,732.00	2,766.67		
UNITEDHEALTH GROUP INC 04 125% 081509 DTD081604 FC021505 @M/W+12 5BP	*Redemption*	100,000 000		07/29/09	08/15/09	100,000 00	100,100 00	-100 00		Y
UNITRIN INC MW+20BP NTS 04.875% 110110 DTD103003 FC050104	*Trade*	50,000.000		07/29/09	12/10/09	50,497.00	49,500 00	997 00		Y
	Trade	50,000 000		09/18/09	12/10/09	50,497 00	50,060 00	437 00		Y
VERIZON COMMUNICATIONS INC	*Trade*	2,000.000		10/07/09	11/20/09	59,318 46	58,598 00	720 46		
VODAFONE GROUP PLC NEW SPON ADR	*Trade*	1,400 000		10/23/09	11/16/09	32,409.16	31,288 18	1,120 98		
	Trade	1,100.000		10/23/09	11/17/09	25,464 34	24,583 57	880.77		
WATERS CORP	*Trade*	1,000 000		08/31/09	09/18/09	51,248.67	50,019 90	1,228 77		
⁾tal Short-Term Gain/Loss						6,465,994.21	~~[illegible]~~ 6,489,806.37	~~[illegible]~~ <23,812.16>		

Long-Term Gain/Loss

This section includes securities held for more than one year, and option contracts that are not reported on Form 1099-B

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
ALLSTATE CORP SENIOR NTS 07 200% 120109 DTD111799 FC060100 M-W+15BP	*Redemption*	220,000 000		10/13/08	12/01/09	220,000 00	219,486 05	513 95 1		Y
BEAR STEARNS COS INC 07 625% 120709 DTD120799 FC060700 GLOBAL	*Redemption*	100,000 000		01/11/08	12/07/09	100,000.00	103,883 25	-3,883.25 1		Y

Continued on page 31

UBS #08573 - AttachmentB

11/13

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000195-X

Long-Term Gain/Loss - continued

This section includes securities held for more than one year, and option contracts that are not reported on Form 1099-B.

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss		Remarks	Matches 1099-B
HOME DEPOT INC NTS 03 750% 091509 DTD091604 ~C031505 CALL@MW+10BP	Redemption	100,000 000		01/11/08	09/15/09	100,000 00	98,619.25	1,380.75	1		Y
ISHARES TRUST MSCI VALUE INDEX FUND	Trade	1,041 000		03/05/07	04/21/09	37,444 76	73,265 58	-35,820 82	1		Y
ISHARES TRUST MSCI EAFE GROWTH INDEX FUND	Trade	1,098 000		03/05/07	04/21/09	43,423 98	73,159 74	-29,735.76	1		Y
PROTECTIVE LF 04 000% 100709 DTD100704 FC040705 MTN	Redemption	170,000 000		08/25/08	10/07/09	170,000 00	171,088 15	-1,088 15	1		Y
VALERO ENERGY CORP NEW	Trade	1.106		06/17/04	09/18/09	21.45	18 84	2 61			
	Trade	1 088		09/10/04	09/18/09	21.10	18 89	2 21			
	Trade	.882		12/16/04	09/18/09	17.11	20.18	-3.07			
	Trade	.580		03/17/05	09/18/09	11.25	20.22	-8.97			
	Trade	668		06/16/05	09/18/09	12 95	25 32	-12.37			
	Trade	.447		09/09/05	09/18/09	8 67	25 35	-16 68			
	Trade	.466		12/15/05	09/18/09	9 04	25 37	-16 33			
	Trade	.529		03/16/06	09/18/09	10 26	30 48	-20 22			
	Trade	.694		06/15/06	09/18/09	13.46	40.68	-27 22			
	Trade	812		09/15/06	09/18/09	15 75	40 74	-24 99			
	Trade	3 640		03/15/07	09/18/09	70 61	222 96	-152.35			
	Trade	.253		06/14/07	09/18/09	4 90	19 14	-14.24			
	Trade	227 835		03/10/04	09/18/09	4,419 87	3,378 79	1,041.08	1		
	Trade	2,261 000		08/06/08	09/18/09	43,862 26	75,407.12	-31,544 86	1		
Total Long-Term Gain/Loss						719,367.42	818,796.10	-99,428.68			

UBS #08573 - Attachment B

12/13

Account Number 8R 08579 75
Your Financial Advisor or Contact
DWIGHT WEST
303-267-3000/800-288-5258

UBS Financial Services Inc.

2009 Informational Tax Statement

C36G000196-X

Unclassified Gain/Loss

This section includes securities that cannot be classified as short-term or long-term due to missing information or the product is one for which a gain/loss calculation is not provided. This section may also include securities not reported on Form 1099-B, as well as securities classified as a percentage of both short-term and long-term holding periods, the "60/40 rule." Broad-Based index options may also be subject to Mark-to-Market rules
Please consult your tax advisor for proper tax treatment of these types of transactions

Security Description	Activity Type	Quantity/ Face value	Original Cost Basis	Purchase date Date Acquired	Date Sold	Sale Amount	Cost or Other Basis	Gain/Loss	Remarks	Matches 1099-B
APPLE INC	Trade	175 000		2/27/09	03/23/09	18,155 34	60,054.75	<41,899.41> ~~-Not Calculated-~~	~~Not calculated~~ Short-term	Y
ꞌARCLAYS BK PLC NTS 11 500% 031009 DTD031108 LKD JPMORGAN EXCHANGES	Trade	54,000.000			03/10/09	54,000.00	54,000	~~-Not Calculated-~~ ∅	~~Unclassified Gain/Loss~~ Short-term	
BARCLAYS BK PLC 11 000% 072709 DTD073008 FC083008 LNKD LOWE'S COS	Redemption	75,000.000		12/24/08	07/27/09	75,000 00	70,107.75	4,892.25	Short-term ~~Unclassified Gain/Loss~~	Y
BARCLAYS BK PLC 18 000% 062609 DTD123108 FC013109 LNKD TO JPM	Redemption	20,000.000		01/29/09	06/26/09	20,000.00	19,166 85	833.15	Short-term ~~Unclassified Gain/Loss~~	Y
	Redemption	30,000 000		02/11/09	06/26/09	30,000 00	27,807 16	2,192.84	~~Unclassified Gain/Loss~~	Y
GOLDCORP INC NEW	Trade	3,100.000			03/20/09	92,454.82	100,000	<7,392.95> ~~-Not Calculated-~~	Not calculated	Y
	Trade	5.000			05/15/09	152.23		~~-Not Calculated-~~	Not calculated	
JPMORGAN CHASE & CO	Trade	22 000		3/10/09	05/08/09	777 65	51,865.48	<2224.99> ~~-Not Calculated-~~	Short-term ~~Not calculated~~	Y
	Trade	1,382.000			05/15/09	48,862.84		~~-Not Calculated-~~	Not calculated	
MORGAN STANLEY CONV 17 000% 031209 DTD091208 ꞌ101208 **EXCHANGES**	Trade	56,000 000			03/12/09	56,000.00	56,000	0 ~~-Not Calculated-~~	~~Not calculated~~ Short-term	Y
WELLS FARGO & CO NEW	Trade	9,000.000		02/27/09	04/17/09	181,526 67	246,919 37	<64,290.77> ~~-Not Calculated-~~	Short-term ~~Not calculated~~	
	Trade	44.000			05/08/09	1,101.93		~~-Not Calculated-~~	~~Not calculated~~	Y
Total Unclassified Gain/Loss						578,031.48	685,921.36 ~~117,081.78~~	<107,889.88> ~~7,918.24~~	Short-term	

6

13/13

UBS #08573 - Attachment B

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
INTERNAL REVENUE SERVICE	104.	0.	104.
KINDER MORGAN, LP - DIVIDENDS	20.	20.	0.
KINDER MORGAN, LP - INTEREST	250.	0.	250.
MORGAN STANLEY - ACCRUED INTEREST PAID	-3,034.	0.	-3,034.
MORGAN STANLEY - DIVIDENDS	4,203.	4,203.	0.
MORGAN STANLEY - INTEREST	27,439.	0.	27,439.
MORGAN STANLEY - OID	2,315.	0.	2,315.
PLAINS ALL AMERICAN PIPELINE, LP - DIVIDENDS	3.	3.	0.
PLAINS ALL AMERICAN PIPELINE, LP - INTEREST	1.	0.	1.
REGENCY ENERGY PARTNERS, LP - INTEREST	13.	0.	13.
UBS - ACCRUED INTEREST PAID	-53,349.	0.	-53,349.
UBS - DIVIDENDS	18,867.	18,519.	348.
UBS - INTEREST	189,532.	0.	189,532.
UBS - OID	4,788.	0.	4,788.
TOTAL TO FM 990-PF, PART I, LN 4	191,152.	22,745.	168,407.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
KINDER MORGAN, LP	-6,230.	-6,230.	
PIEDMONT PARTNERS, LP	347,226.	347,226.	
PLAINS ALL AMERICAN PIPELINE, LP	-191.	-191.	
REGENCY ENERGY PARTNERS, LP PARTNERS, LP	-2,047.	-2,047.	
FEDERAL INCOME TAX REFUND	9,309.	9,309.	
MISCELLANEOUS INCOME	43.	43.	
TOTAL TO FORM 990-PF, PART I, LINE 11	348,110.	348,110.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	286.	0.		0.
TO FM 990-PF, PG 1, LN 16A	286.	0.		0.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	12,523.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	12,523.	0.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	15,417.	15,417.		0.
TO FORM 990-PF, PG 1, LN 16C	15,417.	15,417.		0.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	24.	24.		0.
TO FORM 990-PF, PG 1, LN 18	24.	24.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT INTEREST	99.	99.		0.
BANK FEES	156.	0.		0.
INTANGIBLE DRILLING COSTS	303.	303.		0.
NON-DEDUCTIBLE PASSTHROUGH EXPENSES	39.	39.		0.
TO FORM 990-PF, PG 1, LN 23	597.	441.		0.

FORM 990-PF OTHER FUNDS		STATEMENT 8
DESCRIPTION	(A) BEGINNING OF YEAR	(B) END OF YEAR
ENDOWMENT FUND	4,783,159.	4,852,548.
TOTAL TO FORM 990-PF, PART II, LINE 29	4,783,159.	4,852,548.

FORM 990-PF CORPORATE STOCK		STATEMENT 9
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
STOCK INVESTMENTS	881,575.	1,053,851.
TOTAL TO FORM 990-PF, PART II, LINE 10B	881,575.	1,053,851.

FORM 990-PF CORPORATE BONDS		STATEMENT 10
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
BOND INVESTMENTS	2,571,214.	2,659,021.
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,571,214.	2,659,021.

FORM 990-PF OTHER INVESTMENTS STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN PIEDMONT PARTNERS, LP	COST	1,347,226.	1,347,226.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,347,226.	1,347,226.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DANIELLE H. KAVANAGH 600 IONA STREET METAIRIE, LA 70005	PRESIDENT 0.00	0.	0.	0.
ZACHARY P. KAVANAGH 600 IONA STREET METAIRIE, LA 70005	DIRECTOR 0.00	0.	0.	0.
MARK A. FULLMER 365 CANAL STREET, SUITE 2000 NEW ORLEANS, LA 70130	DIRECTOR 0.00	0.	0.	0.
DARREN K. CRUMPTON 921 CANAL STREET NEW ORLEANS, LA 70112	DIRECTOR 0.00	0.	0.	0.
WILLIAM H. LANGENSTEIN, III 400 POYDRAS STREET, SUITE 3131 NEW ORLEANS, LA 70130	SECRETARY 0.00	0.	0.	0.
MICHAEL R. DUMAS 16801 GREENSPOINT PARK DRIVE, SUITE 200 HOUSTON, TX 77060	TREASURER 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.