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Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

2009

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

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 LANCE ROBERT MCLENDON FOUNDATION	A Employer identification number 63-1269799
	Number and street (or P O box number if mail is not delivered to street address) 10 INNISBROOK LANE	Room/suite
	City or town, state, and ZIP code SHOAL CREEK, AL 35242	
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 697,732.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	
E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>		

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	39,028.		N/A	
	2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	14,913.	14,913.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<53,109. >			
	b Gross sales price for all assets on line 6a	1,341,270.			
	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					
12 Total. Add lines 1 through 11	832.	14,913.			
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				
	b Accounting fees	1,395.	1,395.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes	68.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses	1,749.	1,749.		0.
	24 Total operating and administrative expenses. Add lines 13 through 23	3,212.	3,144.		0.
25 Contributions, gifts, grants paid	48,200.			48,200.	
26 Total expenses and disbursements Add lines 24 and 25	51,412.	3,144.		48,200.	
27 Subtract line 26 from line 12:	<50,580. >				
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		11,769.			
c Adjusted net income (if negative, enter -0-)			N/A		

B3

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		49,702.	192,376.	192,376.
	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 5	1,045,981.	852,727.	505,356.
	c Investments - corporate bonds				
Liabilities	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment: basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ►)				
	16 Total assets (to be completed by all filers)		1,095,683.	1,045,103.	697,732.
	17 Accounts payable and accrued expenses				
	18 Grants payable				
Net Assets or Fund Balances	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.	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
Net Assets or Fund Balances	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>				
	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		1,095,683.	1,045,103.	
	30 Total net assets or fund balances		1,095,683.	1,045,103.	
	31 Total liabilities and net assets/fund balances		1,095,683.	1,045,103.	

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	1,095,683.
2 Enter amount from Part I, line 27a	2	<50,580.>
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	1,045,103.
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	1,045,103.

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	1,341,270.		1,394,379.	<53,109. >	
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				<53,109. >	
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	<53,109. >
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	55,087.	733,633.	.075088
2007	55,595.	903,735.	.061517
2006	35,000.	676,764.	.051717
2005	28,403.	515,322.	.055117
2004	23,607.	435,435.	.054215

2 Total of line 1, column (d)

2 .297654

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 .059531

4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5

4 645,833.

5 Multiply line 4 by line 3

5 38,447.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 118.

7 Add lines 5 and 6

7 38,565.

8 Enter qualifying distributions from Part XII, line 4

8 48,200.

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 ► and enter 1% of Part I, line 27b

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-)

3 Add lines 1 and 2

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

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

6 Credits/Payments:

a 2009 estimated tax payments and 2008 overpayment credited to 2009

6a 1,852.

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 1,852.

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 1,734.

11 Enter the amount of line 10 to be: Credited to 2010 estimated tax ►

11 0.

Part VII-A Statements Regarding Activities

1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

Yes No

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.

1c X

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

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?

2 X

If "Yes," attach a detailed description of the activities

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

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

5 X

If "Yes," attach the statement required by General Instruction T.

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:

N/A

• By language in the governing instrument, or

6 X

• 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?

7 X

7 Did the foundation have at least \$5,000 in assets at any time during the year?

8b X

If "Yes," complete Part II, col (c), and Part XV

9 X

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

10 X

AL

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

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

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

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Part VII-A Statements Regarding Activities (continued)

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

12 Did the foundation 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? Website address ► **N/A** 13 X

14 The books are in care of ► **BENSON R. MCLENDON** Telephone no. ► **205-991-1050**
Located at ► **104 INVERNESS CENTER PLACE, BIRMINGHAM, AL** ZIP+4 ► **35242**

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.

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

Yes <input type="

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)?

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?

N/A ►

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

 Yes No

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

 Yes Nob 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
BENSON R. MCLENDON 10 INNISBROOK LANE SHOAL CREEK, AL 35242	PRESIDENT 0.00	0.	0.	0.
AMY M. MCLEVAINE 1066 KNULLWOOD DRIVE BIRMINGHAM, AL 35242	VICE PRESIDENT 0.00	0.	0.	0.
JOAN G. MCLENDON 10 INNISBROOK LANE SHOAL CREEK, AL 35242	SECRETARY AND TREASURER 0.00	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

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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

1

10

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.

Number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	
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

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		
3	All other program-related investments. See instructions.	
Total. Add lines 1 through 3		0.

All other program-related investments. See instructions.

3

Total. Add lines 1 through 3

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	560,524.
b Average of monthly cash balances	1b	95,144.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	655,668.
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	655,668.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	9,835.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	645,833.
6 Minimum investment return Enter 5% of line 5	6	32,292.

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	32,292.
2a Tax on investment income for 2009 from Part VI, line 5	2a	118.
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	118.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	32,174.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	32,174.
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	32,174.

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	48,200.
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	48,200.
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	118.
6 Adjusted qualifying distributions Subtract line 5 from line 4	6	48,082.

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				32,174.
2 Undistributed income, if any, as of the end of 2009			0.	
a Enter amount for 2008 only		0.		
b Total for prior years:				
3 Excess distributions carryover, if any, to 2009:				
a From 2004	2,421.			
b From 2005	4,831.			
c From 2006	3,896.			
d From 2007	14,218.			
e From 2008	18,541.			
f Total of lines 3a through e	43,907.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 48,200.			0.	
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2009 distributable amount				32,174.
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.		
6 Enter the net total of each column as indicated below:	59,933.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		0.		
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		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.				
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
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				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	2,421.			
10 Analysis of line 9:	57,512.			
a Excess from 2005	4,831.			
b Excess from 2006	3,896.			
c Excess from 2007	14,218.			
d Excess from 2008	18,541.			
e Excess from 2009	16,026.			

Part XV Supplementary Information (continued)

3. Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
CAMPUS OUTREACH	NONE	RELIGIOUS	GENERAL FUND	3,200.
CROHN'S & COLITIS FOUNDATION OF AMERICA	NONE	PUBLIC CHARITY	GENERAL FUND	20,000.
TROY STATE UNIVERSITY FOUNDATION	NONE	PUBLIC CHARITY	GENERAL FUND	25,000.
Total			► 3a	48,200.
b Approved for future payment				
NONE				
Total			► 3b	0.

923611 02-02-10

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Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities				14	14,913.
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	<53,109.>
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.		<38,196.>	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	<38,196.>

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

Relationship of Activities to the Accomplishment of Exempt Purposes

923621
03-02-10

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting foundation to a noncharitable exempt organization of:

- (1) Cash
- (2) Other assets

- b Other transactions:**
 - (1) Sales of assets to a noncharitable exempt organization
 - (2) Purchases of assets from a noncharitable exempt organization
 - (3) Rental of facilities, equipment, or other assets
 - (4) Reimbursement arrangements
 - (5) Loans or loan guarantees
 - (6) Performance of services or membership or fundraising solicitations

6. Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

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

Yes No

b If "Yes," complete the following schedule.

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

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

Signature of officer or trustee		Date	Title	
<i>John D. McDendon</i>		5/10/2010	<i>Secretary</i>	
Preparer's signature		Date	Check if self-employed	Preparer's identifying number
<i>Robert P. Fehl</i>		5/10/10	<input type="checkbox"/>	P00090517
Firm's name (or yours if self-employed), address, and ZIP code		EIN		Phone no.
SELLERS RICHARDSON HOLMAN & WEST, LLP 216 SUMMIT BOULEVARD, STE 300 BIRMINGHAM, AL 35243		<input type="checkbox"/>		205-278-0001

Form 990-PF (2009)

923822
02-02-10

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

► Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2009

Name of the organization

Employer identification number

LANCE ROBERT MCLENDON FOUNDATION63-1269799

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

 501(c)() (enter number) organization 4947(a)(1) nonexempt charitable trust not treated as a private foundation 527 political organization

Form 990-PF

 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1 Complete Parts I and II

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc , purposes, but these contributions did not aggregate to more than \$1,000 If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of \$5,000 or more during the year. ► \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it must answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization

Employer identification number

LANCE ROBERT MCLENDON FOUNDATION63-1269799**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	MR. & MRS. BENSON R. MCLENDON 10 INNISBROOK LANE SHOAL CREEK, AL 35242	\$ 29,028.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	MR. & MRS. TOMMY JACKSON 119 SWAN LAKE CIRCLE BIRMINGHAM, AL 35242	\$ 10,000.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
3		\$	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

Employer identification number

LANCE ROBERT MCLENDON FOUNDATION**63-1269799****Part II Noncash Property** (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	FEDERAL HOME LOAN MORTGAGE BOND	\$ 29,028.	10/13/09
2	CASH	\$ 10,000.	05/05/09
		\$	
		\$	
		\$	
		\$	
		\$	

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 WELL'S FARGO SHORT TERM (4655-7506) (SEE ATTACHMENT)			P	VARIOUS	VARIOUS
b WELL'S FARGO LONG TERM (4655-7506) (SEE ATTACHMENT)			P	VARIOUS	VARIOUS
c WELL'S FARGO OPTIONS- SHORT TERM (4655-7506) (SEE			P	VARIOUS	VARIOUS
d					
e					
f					
g					
h					
i					
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 1,100,133.		1,101,036.	<903.>		
b 189,468.		224,194.	<34,726.>		
c 51,669.		69,149.	<17,480.>		
d					
e					
f					
g					
h					
i					
j					
k					
l					
m					
n					
o					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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	<903.>		
a			<903.>		
b			<34,726.>		
c			<17,480.>		
d					
e					
f					
g					
h					
i					
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	<53,109.>		
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		

LANCE ROBERT MCLENDON FOUNDATION

63-1269799

FORM 990-PF

DIVIDENDS AND INTEREST FROM SECURITIES

STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
WELLS FARGO (4655-7506)	14,913.	0.	14,913.
TOTAL TO FM 990-PF, PART I, LN 4	14,913.	0.	14,913.

FORM 990-PF

ACCOUNTING FEES

STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,395.	1,395.		0.
TO FORM 990-PF, PG 1, LN 16B	1,395.	1,395.		0.

FORM 990-PF

TAXES

STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAXES	68.	0.		0.
TO FORM 990-PF, PG 1, LN 18	68.	0.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MANAGEMENT FEES	1,749.	1,749.		0.
TO FORM 990-PF, PG 1, LN 23	1,749.	1,749.		0.

FORM 990-PF

CORPORATE STOCK

STATEMENT 5

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
INVESTMENTS	852,727.	505,356.
TOTAL TO FORM 990-PF, PART II, LINE 10B	852,727.	505,356.

FORM 990-PF

LIST OF SUBSTANTIAL CONTRIBUTORS
PART VII-A, LINE 10

STATEMENT 6

NAME OF CONTRIBUTOR

ADDRESS

MR. AND MRS. BENSON R. MCLENDON

10 INNISBROOK LANE
SHOAL CREEK, AL 35242

MR. AND MRS. TOMMY JACKSON

119 SWAN LAKE CIRCLE
BIRMINGHAM, AL 35242

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT

7

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

BENSON R. MCLENDON
104 INVERNESS CTR PL, STE 100
BIRMINGHAM, AL 35242

TELEPHONE NUMBER

(205)991-1050

FORM AND CONTENT OF APPLICATIONS

APPLICATIONS SHOULD BE IN WRITTEN FORM AND INCLUDE INFORMATION REGARDING
THE PURPOSE OF THE APPLICATION AND THE ENTITY MAKING THE APPLICATION.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

NONE

Realized Gain/Loss

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As of Date: 2/05/10

Account Number: 4655-7506
 Command Account Number: 9083571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Realized Gain/Loss Detail for Year

Short Term DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
ADOB E SYSTEMS INC	287,0000	19,2338	03/12/09	04/02/09	6,756.57	5,520.10	1,236.47
AFLAC INC	110,0000	47,7408	10/08/08	01/23/09	2,995.33	5,251.48	-2,256.15
	47,0000	43,3394	10/30/08	01/23/09	1,279.83	2,036.95	-757.12
ALTRIA GROUP INC	244,0000	19,9675	07/03/08	04/03/09	3,916.66	4,872.06	-955.40
	259,0000	21,3466	07/11/08	04/03/09	4,157.44	5,528.77	-1,371.33
	406,0000	20,3121	09/17/08	04/03/09	6,517.08	8,246.71	-1,729.63
	411,0000	18,8676	10/30/08	04/03/09	6,597.34	7,754.58	-1,157.24
AMERICAN EXPRESS COMPANY	1,500,0000	14,7882	04/03/09	05/08/09	41,415.89	22,182.30	19,233.59
APOLLO GROUP INC CL A	203,0000	45,6110	04/22/08	04/02/09	13,991.08	9,259.02	4,732.06
	77,0000	68,9400	10/30/08	04/02/09	5,306.97	5,308.38	-1.41
APPLE INC	45,0000	158,1330	08/05/08	04/02/09	5,107.02	7,115.99	-2,008.97
	53,0000	111,5500	10/30/08	04/02/09	6,014.95	5,912.15	102.80
APPLIED MATERIALS INC	258,0000	12,0900	10/30/08	04/02/09	2,931.67	3,119.22	-187.55
AUTOMATIC DATA PROCESSING	700,0000	36,2169	04/03/09	11/20/09	28,349.30	25,351.83	2,997.47
BANK NEW YORK MELLON CORP	200,0000	31,4000	10/30/08	08/19/09	5,696.25	6,280.00	-583.75
	190,0000	28,6152	04/03/09	08/19/09	5,411.45	5,436.89	-25.44
BAXTER INTERNATIONAL INC	65,0000	59,8200	10/30/08	09/15/09	3,652.26	3,888.30	-236.04
	86,0000	49,9000	04/03/09	09/15/09	4,832.23	4,291.40	540.83
BLACKROCK INC	42,0000	119,6780	10/24/08	04/02/09	5,742.65	5,026.47	716.18
	17,0000	130,1500	10/30/08	04/02/09	2,324.41	2,212.55	111.86
BROADCOM CORP CL A	390,0000	16,2679	01/14/09	04/02/09	8,651.71	6,344.48	2,307.23

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Realized Gain/Loss

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As of Date: 2/05/10

Account Number: 4655-7506
 Command Account Number: 9083571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Short Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
CALL HEWLETT PACKARD									
\$34	EXP 11/21/09		-6 0000	3 4000	05/21/09	09/15/09	2,039.94	6,960.00	-4,920.06
CALL PHSR USHRT LEH 20									
\$50	EXP 09/19/09		-3 0000	2 7500	04/03/09	05/21/09	824.99	1,510.00	-685.01
CALL SCHLUMBERGER LTD									
\$45	EXP 11/21/09		-5 0000	7.5800	04/03/09	05/21/09	3,789.97	5,450.00	-1,660.03
CALL WAL MART STORES									
\$55	EXP 09/19/09		-5 0000	3.6700	04/03/09	09/19/09	1,834.98	0.00	1,834.98
COCA-COLA COMPANY			500 0000	44.5980	04/03/09	11/20/09	24,399.40	22,299.00	2,100.40
COMCAST CORP NEW CL A			293.0000	15.2275	10/17/08	04/02/09	4,275.69	4,461.65	-185.96
			116 0000	14.9900	10/30/08	04/02/09	1,692.76	1,738.84	-46.08
			480 0000	16.0928	10/31/08	04/02/09	7,004.56	7,724.54	-719.98
CONAGRA FOODS INC			239 0000	23.6958	06/10/08	04/02/09	4,154.27	5,663.28	-1,509.01
			303.0000	20.3819	06/27/08	04/02/09	5,266.71	6,175.72	-909.01
			219.0000	21.1045	07/15/08	04/02/09	3,806.64	4,621.89	-815.25
			338 0000	17.0200	10/30/08	04/02/09	5,875.09	5,752.76	122.33
CONOCOPHILLIPS			500 0000	41.0480	04/03/09	09/15/09	23,135.40	20,524.00	2,611.40
CVS CAREMARK CORP			196.0000	28.9352	10/30/08	04/02/09	5,745.14	5,671.30	73.84
DANAHER CORP			71.0000	58.0700	10/30/08	04/02/09	3,911.02	4,122.97	-211.95
DEVON ENERGY CORP NEW			65.0000	87.7773	08/05/08	04/02/09	3,172.19	5,705.52	-2,533.33
			48 0000	75.7600	10/30/08	04/02/09	2,342.55	3,636.48	-1,293.93
			108 0000	41.9188	03/11/09	04/02/09	5,270.74	4,527.23	743.51
EXPEDITORS INTL WASH INC			163.0000	35.5367	08/06/08	04/02/09	5,043.84	5,792.47	-748.63
			146.0000	28.5964	10/24/08	04/02/09	4,517.80	4,175.07	342.73
			145 0000	31.3340	10/30/08	04/02/09	4,486.86	4,543.43	-56.57

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YT145038 011013 038074559145 NNNNNNNNNNNNNNNNNNNNN 000016

Realized Gain/Loss

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As of Date: 2/05/10

Account Number: 4655-7506
 Command Account Number: 9083571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Short Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
		EXPRESS SCRIPTS INC							
		CL A	55 0000	57.7200	10/30/08	04/02/09	2,737.08	3,174.60	-437.52
		FEDERAL FARM CREDIT BANK							
		BONDS							
		CALLABLE							
		CPN 4.750% DUE 07/15/13							
		DTD 07/15/08 FC 01/15/09							
		CALL 07/15/09 @ 100.000	35,000 0000	100.4640	06/02/09	07/15/09	35,000.00	35,162.40	-162.40
		FEDERAL HOME LN MTG CORP							
		MEDIUM TERM NOTE							
		CALLABLE							
		CPN 4.400% DUE 08/25/16							
		DTD 08/25/09 FC 02/25/10							
		CALL 02/25/10 @ 100.000	29,000 0000	99.9000	08/13/09	11/25/09	29,000.00	28,971.97	28.03
		FISERV INC	146 0000	31.9740	10/30/08	04/02/09	5,417.03	4,668.20	748.83
		GAP INC	285 0000	12.5200	10/30/08	04/02/09	4,076.05	3,568.20	507.85
		GENERAL ELECTRIC COMPANY	462.0000	22.2544	10/02/08	02/04/09	5,361.98	10,281.53	-4,919.55
			289.0000	22.3502	10/07/08	02/04/09	3,354.14	6,459.21	-3,105.07
			312.0000	19.2500	10/30/08	02/04/09	3,621.09	6,006.00	-2,384.91
		GENZYME CORPORATION	79 0000	75.5989	07/25/08	03/12/09	4,261.91	5,972.30	-1,710.39
			81.0000	68.8934	10/09/08	03/12/09	4,369.81	5,580.37	-1,210.56
			62.0000	70.2394	10/30/08	03/12/09	3,344.80	4,354.84	-1,010.04
		GREYSTONE BANK CD							
		RALEIGH NC ACT/365							
		FDIC INSURED							
		CPN 0.750% DUE 09/10/09							
		DTD 06/10/09 FC 09/10/09	50,000 0000	100.0000	06/02/09	09/10/09	50,000.00	50,000.00	0.00
		HALLIBURTON COMPANY	247.0000	17.8428	10/22/08	04/02/09	4,001.87	4,407.17	-405.30

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Realized Gain/Loss

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As of Date: 2/05/10

Account Number: 4655-7506
 Command Account Number: 9083571871
 LANCE ROBERT MCLENDON
 FOUNDATION

Short Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
		HEWLETT-PACKARD COMPANY	231 0000	19.5580	10/30/08	04/02/09	3,742.65	4,517.90	-775.25
		HUDSON CITY BANCORP INC	600 0000	33.9380	05/21/09	09/15/09	27,240.49	20,362.80	6,877.69
		IBM CORP	473 0000	11.9891	01/21/09	04/02/09	5,696.77	5,670.84	25.93
IBM CORP	NOTES	CALLABLE							
CPN 4.375% DUE 06/01/09	DTD 05/25/04 FC 12/01/04		50,000 0000	100.3000	04/06/09	06/01/09	50,000.00	50,150.00	-150.00
JOHNSON & JOHNSON			217 0000	52.1375	04/03/09	11/19/09	12,694.27	11,313.84	1,380.43
JPMORGAN CHASE & CO	NOTES		74 0000	38.1247	06/12/08	04/03/09	2,072.87	2,821.22	-748.35
			122 0000	37.0358	10/16/08	04/03/09	3,417.44	4,518.37	-1,100.93
			141 0000	35.2360	10/24/08	04/03/09	3,949.67	4,968.28	-1,018.61
			147 0000	37.5176	10/30/08	04/03/09	4,117.74	5,515.09	-1,397.35
			315.0000	21.0844	11/21/08	04/03/09	8,823.74	6,641.59	2,182.15
JPMORGAN CHASE & CO	NOTES								
CPN 3.800% DUE 10/02/09	DTD 09/29/04 FC 04/02/05		100,000 0000	101.0000	05/12/09	10/02/09	100,000.00	101,000.00	-1,000.00
KRAFT FOODS INC CL A			800 0000	27.4078	07/20/09	12/31/09	21,967.43	21,926.24	41.19
LAUDER ESTEE COS INC			63 0000	34.6000	10/30/08	04/02/09	1,705.56	2,179.80	-474.24
CLA			121.0000	22.6300	10/30/08	04/02/09	2,733.75	2,738.23	-4.48
LINEAR TECHNOLOGY CORP			242 0000	22.5583	01/21/09	04/02/09	5,467.51	5,459.11	8.40
MERCK & CO INC			249.0000	29.0051	11/06/08	04/02/09	6,753.46	7,222.26	-468.80
NORFOLK SOUTHERN CORP			156.0000	41.3252	02/06/09	04/02/09	5,764.55	6,446.73	-682.18
			206 0000	28.4581	03/11/09	04/02/09	7,612.18	5,862.37	1,749.81

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Realized Gain/Loss

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As of Date: 2/05/10

Account Number: 4655-7506
 Command Account Number: 9083571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Short Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
OCCIDENTAL PETE CORP			132 0000	45.6501	12/04/08	04/02/09	8,028.52	6,025.80	2,002.72
ORACLE CORPORATION			292 0000	21.3391	07/29/08	04/02/09	5,502.15	6,231.02	-728.87
			250.0000	21.9127	08/05/08	04/02/09	4,710.74	5,478.18	-767.44
			216 0000	18.4600	10/30/08	04/02/09	4,070.08	3,987.36	82.72
			293 0000	16.6328	01/21/09	04/02/09	5,521.01	4,873.41	647.60
PPG INDUSTRIES INC			500 0000	42.5082	04/03/09	09/15/09	29,260.24	21,254.10	8,006.14
PATRIOT BK	CD								
HOUSTON TX	ACT/365								
FDIC INSURED									
CPN 0 200% DUE 11/24/09									
DTD 09/24/09 FC 11/24/09			25,000.0000	100.0000	09/22/09	11/24/09	25,000.00	25,000.00	0.00
PAYCHEX INC			198.0000	25.4003	11/12/08	04/02/09	5,268.36	5,029.25	240.11
			180.0000	25.9741	12/18/08	04/02/09	4,790.32	4,675.34	114.98
			238.0000	24.5329	01/21/09	04/02/09	6,333.89	5,838.83	495.06
PROCTER & GAMBLE CO			500.0000	49.0000	04/03/09	09/15/09	27,556.29	24,500.00	3,056.29
PROSHARES ULTRA SHORT									
S&P 500									
NON-TRADITIONAL ETF			100.0000	51.4962	07/20/09	09/23/09	3,933.17	5,149.62	-1,216.45
			300.0000	51.4962	07/20/09	10/28/09	12,264.43	15,448.86	-3,184.43
PROSHARES ULTRASHORT ETF									
LEHMAN 20+ YEAR TREASURY			300.0000	44.9372	04/03/09	05/21/09	15,537.74	13,481.16	2,056.58
QUEST DIAGNOSTICS INC			77.0000	43.5194	10/30/08	04/02/09	3,737.95	3,350.99	386.96
SCHLUMBERGER LTD			500.0000	44.0680	04/03/09	05/21/09	26,040.43	22,034.00	4,006.43
SOUTHWEST AIRLINES CO			3,500.0000	6.7266	04/03/09	07/20/09	24,891.36	23,543.10	1,348.26
SOUTHWESTERN ENERGY CO			500.0000	31.6700	04/03/09	09/18/09	18,249.59	15,835.00	2,414.59
ST JUDE MEDICAL INC			119.0000	37.2300	10/30/08	04/02/09	4,236.68	4,430.37	-193.69

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As of Date: 2/05/10

Account Number: 4655-7506
Command Account Number: 9083571671
LANCE ROBERT MCLENDON
FOUNDATION

Short Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
STATE STR CORP			83 0000	68.2799	08/13/08	01/21/09	1,356.94	5,667.23	-4,310.29
			110.0000	56.1046	09/26/08	01/21/09	1,798.35	6,171.51	-4,373.16
			147.0000	38.5423	10/22/08	01/21/09	2,403.26	5,665.72	-3,262.46
			139 0000	42.5300	10/30/08	01/21/09	2,272.48	5,911.67	-3,639.19
SYSCO CORPORATION			247 0000	21.3648	11/21/08	04/03/09	5,671.70	5,277.05	394.65
			217.0000	23.1141	01/21/09	04/03/09	4,982.84	5,015.76	-32.92
TARGET CORP			143.0000	42.2067	10/08/08	07/20/09	5,635.77	6,035.56	-399.79
			105 0000	38.1080	10/30/08	07/20/09	4,138.15	4,001.34	136.81
			148 0000	35.8075	04/03/09	07/20/09	5,832.84	5,299.51	533.33
			308 0000	10.8980	10/28/08	04/02/09	4,380.59	3,356.58	1,024.01
TD AMERITRADE HOLDING INC			360 0000	11.9980	10/30/08	04/02/09	5,120.19	4,319.28	800.91
			138 0000	43.0067	02/19/09	04/02/09	6,137.43	5,934.92	202.51
			115 0000	49.6111	10/07/08	04/02/09	4,110.66	5,705.28	-1,594.62
THERMO FISHER SCIENTIFIC INC			143 0000	39.6240	10/30/08	04/02/09	5,111.52	5,666.23	-554.71
			0 1382	47.4094	05/09/08	03/30/09	3.47	6.55	-3.08
TIME WARNER CABLE			39.9388	47.4094	05/09/08	04/02/09	1,018.54	1,893.52	-874.98
			0 1260	46.2009	06/02/08	03/30/09	3.17	5.82	-2.65
			36.4378	46.2009	06/02/08	04/02/09	929.23	1,683.46	-754.23
			0 0845	43.6640	06/24/08	03/30/09	2.12	3.69	-1.57
			24.4308	43.6640	06/24/08	04/02/09	623.03	1,066.74	-443.71
			0 1494	29.3781	10/30/08	03/30/09	3.76	4.39	-0.63
			43.1917	29.3781	10/30/08	04/02/09	1,101.48	1,268.88	-167.40
			0 0000	0.0000	04/02/09	04/02/09	0.01	0.00	0.00

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As of Date: 2/05/10

Account Number: 4655-7508
 Command Account Number: 9083571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Short Term <i>Continued</i>		DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
TIME WARNER INC NEW		159 4818	36 1177	05/09/08	04/03/09		3,486.53	5,766.80	-2,280.27
		145 4980	35 1971	06/02/08	04/03/09		3,180.83	5,127.05	-1,946.22
		97 5536	33 2644	06/24/08	04/03/09		2,132.68	3,248.83	-1,116.15
		172 4667	22 3810	10/30/08	04/03/09		3,770.42	3,864.46	-94.04
		0 6667	0 0000	04/02/09	04/02/09		12.30	0.01	12.29
VULCAN MATERIALS COMPANY		162 0000	46 8444	02/13/09	04/02/09		7,775.95	7,588.79	187.16
		145 0000	36 5801	03/11/09	04/02/09		6,959.96	5,304.11	1,655.85
WAL-MART STORES INC		73 0000	54 6300	10/30/08	03/05/09		3,659.17	3,987.99	-328.82
WELLS FARGO COMPANY		157 0000	35 1676	09/26/08	01/20/09		2,341.20	5,521.31	-3,180.11
		132 0000	36 4887	09/30/08	01/20/09		1,968.39	4,816.51	-2,848.12
		122 0000	32 5200	10/30/08	01/20/09		1,819.28	3,967.44	-2,148.16
		238 0000	30 4113	11/06/08	01/20/09		3,549.09	7,237.89	-3,688.80
ZIMMER HOLDINGS INC		62 0000	44 1600	10/30/08	02/02/09		2,264.43	2,737.92	-473.49
3M CO		500 0000	51 6454	04/03/09	09/15/09		37,096.54	25,822.70	11,273.84
Total - Short Term							\$1,100,132.72	\$1,101,036.13	-\$903.42

Long Term		DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
APPLE INC		9 0000	57 8988	06/08/06	04/02/09		1,021.40	521.08	500.32
		2 0000	57 9600	06/19/06	04/02/09		226.97	115.92	111.05
		41 0000	74 9347	10/13/06	04/02/09		4,653.06	3,072.32	1,580.74
		18,0000	74 8000	10/17/06	04/02/09		2,042.61	1,346.40	696.41
		12,0000	79 4600	10/19/06	04/02/09		1,361.87	953.52	408.35
APPLIED MATERIALS INC		368,0000	19 1023	11/15/07	04/02/09		4,181.59	7,029.65	-2,848.06
		248,0000	16 9237	01/15/08	04/02/09		2,818.03	4,197.08	-1,379.05

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As of Date: 2/05/10

Account Number: 4655-7506
 Command Account Number: 9083571571
 LANCE ROBERT MCLENDON
 FOUNDATION

Long Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
BANK NEW YORK MELLON		CORP	115 0574	44.1854	06/14/07	07/20/09	3,371.36	5,083.87	-1,712.51
			284 9426	43.1665	06/27/07	07/20/09	8,349.29	12,299.99	-3,950.70
			110 0000	43.1665	06/27/07	08/19/09	3,132.93	4,748.31	-1,615.38
BAXTER INTERNATIONAL INC			27 0000	34.4892	04/12/05	09/15/09	1,517.08	931.19	585.89
			45 0000	39.7500	12/01/05	09/15/09	2,528.48	1,788.75	739.73
			9 0000	38.3300	01/03/06	09/15/09	505.69	344.97	160.72
			34 0000	37.1600	05/03/06	09/15/09	1,910.40	1,263.44	646.96
			1 0000	37.9375	06/19/06	09/15/09	56.18	37.94	18.24
			16 0000	45.9600	10/17/06	09/15/09	899.01	735.36	163.65
			17 0000	45.2300	10/19/06	09/15/09	955.20	768.91	186.29
CVS CAREMARK CORP			171 0000	18.5224	12/01/03	04/02/09	5,012.32	3,167.32	1,845.00
			10,0000	23.3500	11/11/04	04/02/09	293.11	233.50	59.61
			46 0000	25.7750	04/05/05	04/02/09	1,348.34	1,185.65	162.69
			67 0000	27.5300	12/01/05	04/02/09	1,963.89	1,844.51	119.38
			23 0000	26.3000	01/03/06	04/02/09	674.17	604.90	69.27
			54 0000	30.0200	05/03/06	04/02/09	1,582.84	1,621.08	-38.24
			2 0000	29.9100	06/19/06	04/02/09	58.62	59.82	-1.20
			76 0000	31.0700	10/17/06	04/02/09	2,227.70	2,361.32	-133.62
			29 0000	31.1700	10/19/06	04/02/09	850.04	903.93	-53.89
DANAHER CORP			161 0000	72.8692	05/02/07	04/02/09	8,868.62	11,731.93	-2,863.31
DEVON ENERGY CORP NEW			22 0000	61.2050	09/26/06	04/02/09	1,073.66	1,346.51	-272.85
			56 0000	64.8490	10/13/06	04/02/09	2,732.96	3,631.54	-898.58
			17 0000	66.9100	10/19/06	04/02/09	829.65	1,137.47	-307.82

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As of Date: 2/05/10

Account Number: 4655-7506
 Command Account Number: 9063571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Long Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
		EXPRESS SCRIPTS INC							
		CL A	134 0000	30.7939	11/03/06	04/02/09	6,668.52	4,126.37	2,542.15
		FISERV INC	151.0000	50.8966	09/27/07	04/02/09	5,602.53	7,685.38	-2,082.65
			204 0000	51.9586	10/19/07	04/02/09	7,568.98	10,599.55	-3,030.57
		GAP INC	334 0000	18.3091	09/20/07	04/02/09	4,776.83	6,115.23	-1,338.40
			348 0000	18.4738	09/27/07	04/02/09	4,977.07	6,428.88	-1,451.81
		HALLIBURTON COMPANY	112 0000	32.8241	12/08/06	04/02/09	1,814.61	3,676.30	-1,861.69
			264 0000	31.0156	03/02/07	04/02/09	4,277.30	8,188.12	-3,910.82
		JOHNSON & JOHNSON	44 0000	54.1531	04/16/04	03/12/09	2,142.21	2,382.72	-240.51
			25.0000	54.8300	08/09/04	03/12/09	1,217.16	1,370.75	-153.59
			5 0000	60.6000	11/11/04	03/12/09	243.43	303.00	-59.57
			24 0000	68.7400	04/05/05	03/12/09	1,168.48	1,649.76	-481.28
			6 0000	61.9400	12/01/05	03/12/09	292.13	371.64	-79.51
			19 0000	61.9400	12/01/05	11/19/09	1,111.46	1,176.86	-65.40
			1 0000	61.5800	01/03/06	11/19/09	58.48	61.58	-3.10
			17.0000	58.3700	05/03/06	11/19/09	994.46	992.29	2.17
			24 0000	65.9400	10/17/06	11/19/09	1,403.95	1,582.56	-178.61
			12 0000	67.9600	10/19/06	11/19/09	701.97	815.52	-113.55
			88 0000	61.8595	04/12/07	11/19/09	5,147.87	5,443.64	-295.77
			122 0000	60.4700	10/30/08	11/19/09	7,136.82	7,377.34	-240.52
		LAUDER ESTEE COS INC							
		CL A	152 0000	44.6080	02/04/08	04/02/09	4,114.99	6,780.41	-2,665.42
		LINEAR TECHNOLOGY CORP	170.0000	34.2247	02/22/07	04/02/09	3,840.80	5,818.19	-1,977.39
			140.0000	32.7099	03/08/07	04/02/09	3,163.01	4,579.39	-1,416.38
		QUEST DIAGNOSTICS INC	170.0000	49.4807	04/23/07	04/02/09	8,252.60	8,411.70	-159.10

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Account Number: 4655-7506
 Command Account Number: 9083571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Long Term <i>Continued</i>		QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
ST JUDE MEDICAL INC		162 0000	38.8052	01/22/07	04/02/09	5,767.57	6,286.43	-518.86
		168 0000	40.5554	11/01/07	04/02/09	5,981.18	6,813.31	-832.13
TARGET CORP		74 0000	49.1328	06/01/06	07/20/09	2,916.41	3,635.82	-719.41
		16 0000	58.6400	10/17/06	07/20/09	630.57	938.24	-307.67
		14 0000	58.2200	10/19/06	07/20/09	551.75	815.08	-263.33
TD AMERITRADE HOLDING INC		56 0000	16.6680	10/30/06	04/02/09	796.47	933.39	-136.92
		405 0000	15.0498	04/03/07	04/02/09	5,760.20	6,095.17	-334.97
THERMO FISHER SCIENTIFIC INC		98 0000	30.7936	05/25/05	04/02/09	3,502.99	3,017.76	485.23
		70 0000	32.1800	12/01/05	04/02/09	2,502.13	2,252.60	249.53
		12 0000	31.1000	01/03/06	04/02/09	428.93	373.20	55.73
		30 0000	35.9100	05/03/06	04/02/09	1,072.34	1,077.30	-4.96
		28 0000	42.3550	10/19/06	04/02/09	1,000.85	1,185.94	-185.09
WAL-MART STORES INC		183 0000	47.9995	06/27/07	03/05/09	9,172.98	8,783.89	389.09
ZIMMER HOLDINGS INC		73 0000	64.0885	08/01/06	02/02/09	2,666.16	4,678.46	-2,012.30
		82 0000	76.8548	08/28/07	02/02/09	2,994.87	6,302.09	-3,307.22
Total - Long Term						\$189,468.33	\$224,184.04	-\$34,725.71

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As of Date: 2/05/10

Account Number: 4655-7508
 Command Account Number: 9083571671
 LANCE ROBERT MCLENDON
 FOUNDATION

Option Activity Gain/Loss Detail for Year

Short Term	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
	CALL AMERICAN EXPRESS \$15 EXP 01/16/10	-15 0000	3.6000	04/03/09	05/08/09	5,399.96	20,700.00	-15,300.04
	CALL BANK OF NY MELLON \$27.50 EXP 09/19/09	-4 0000	6.3000	04/03/09	07/20/09	2,519.99	1,240.00	1,279.99
		-5 0000	6.3000	04/03/09	08/19/09	3,149.97	1,025.00	2,124.97
	CALL BAXTER INTL \$50 EXP 11/21/09	-3.0000	5.2000	04/03/09	09/15/09	1,559.99	2,100.00	-540.01
	CALL CHEVRON CORPORATION \$70 EXP 01/16/10	-4 0000	9.3000	04/03/09	11/18/09	3,719.97	3,760.00	-40.03
	CALL CONOCOPHILLIPS \$40 EXP 11/21/09	-5 0000	6.0000	04/03/09	09/15/09	2,999.98	3,400.00	-400.02
	CALL INTEL CORP \$19 EXP 01/16/10	-12 0000	1.4500	07/20/09	11/18/09	1,739.95	1,932.00	-192.05
	CALL KRAFT FOODS INC \$29 LT EXP 03/20/10	-8 0000	1.8000	07/20/09	12/31/09	1,439.96	592.00	847.96
	CALL LOWES COMPANIES INC \$20 EXP 01/16/10	-12 0000	2.8000	04/03/09	11/18/09	3,359.98	2,700.00	659.98
	CALL PPG INDUSTRIES \$45 EXP 11/21/09	-5 0000	4.2000	04/03/09	09/15/09	2,099.98	6,950.00	-4,850.02
	CALL PROCTER & GAMBLE \$50 EXP 10/17/09	-5 0000	3.7000	04/03/09	09/15/09	1,849.98	2,700.00	-850.02
	CALL PROSHARES ULTRASHORT \$52 EXP 03/20/10	-1.0000	8.4000	07/20/09	09/23/09	839.98	275.00	564.98
		-3.0000	8.4000	07/20/09	10/28/09	2,519.93	765.00	1,754.93
	CALL SOUTHWEST AIRLINES \$7.50 EXP 01/16/10	-35.0000	1.3000	04/03/09	07/20/09	4,549.97	2,625.00	1,924.97

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As of Date: 2/05/10

Account Number: 4655-7506
Command Account Number: 9083571671
LANCE ROBERT MCLENDON
FOUNDATION

Short Term	Continued	DESCRIPTION	QUANTITY	ADJ PRICE/ ORIG PRICE	DATE ACQUIRED	CLOSE DATE	PROCEEDS	ADJ COST/ ORIG COST	GAIN/LOSS
CALL TARGET CORP									
\$35	EXP 01/16/10		-5 0000	7 0500	04/03/09	07/20/09	3,524.98	3,500.00	24.98
CALL 3M CO									
\$55	EXP 01/16/10		-5 0000	4 9000	04/03/09	09/15/09	2,449.98	9,800.00	-7,350.02
PUT CONOCOPHILLIPS									
\$39	EXP 02/20/10		-5 0000	1 4900	09/15/09	10/14/09	744.98	315.00	429.98
PUT HEWLETT PACKARD									
\$37	EXP 02/20/10		-6 0000	1 0000	09/15/09	10/14/09	599.98	270.00	329.98
PUT PROCTOR & GAMBLE									
\$50	EXP 04/17/10		-5 0000	2 1000	09/15/09	10/14/09	1,049.97	625.00	424.97
PUT SOUTHWEST AIRLINES									
\$9	EXP 06/19/10		-25 0000	1 1500	11/18/09	12/04/09	2,874.92	2,000.00	874.92
PUT SOUTHWEST AIRLINES									
\$9	EXP 01/16/10		-25 0000	0.7500	09/15/09	11/18/09	1,874.95	1,375.00	499.95
PUT 3M CO									
\$60 LT	EXP 04/17/10		-5 0000	1 6000	09/15/09	10/14/09	799.97	500.00	299.97
Total - Short Term							\$51,669.32	\$69,149.00	-\$17,479.68

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